

Stacks

Social Security Bulletin



*Community Prerogative and the Legal Rights and
Freedom of the Individual*

*UN Organizes in the Social Field:
The Social Commission*

*International Action Toward Social Security
for Seamen*

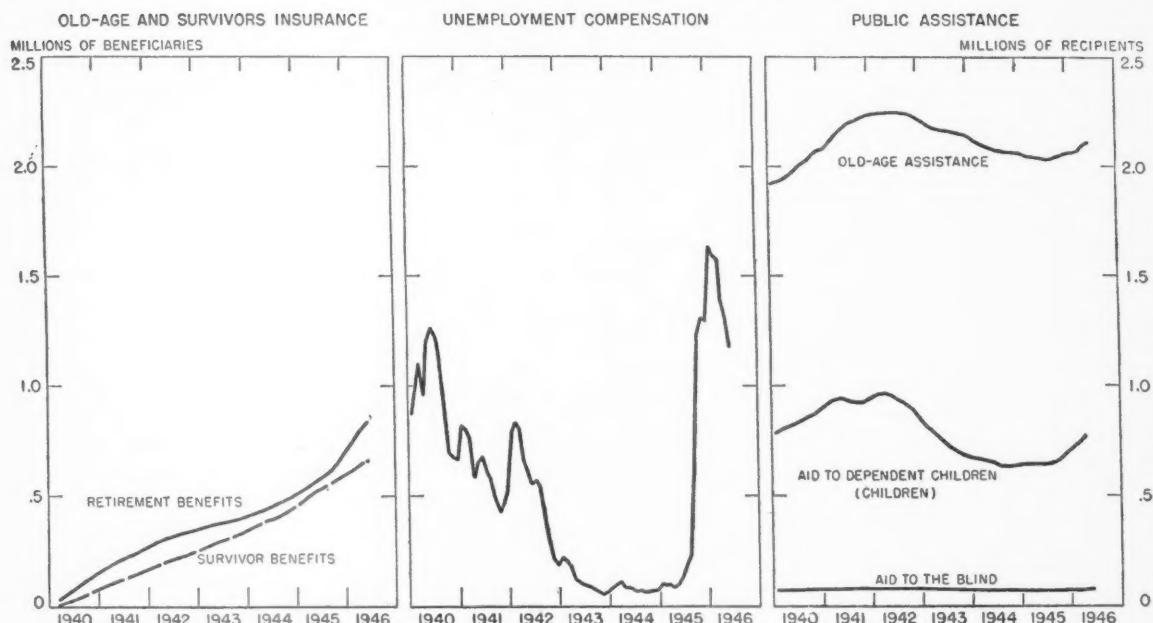
FEDERAL SECURITY AGENCY

SOCIAL SECURITY ADMINISTRATION

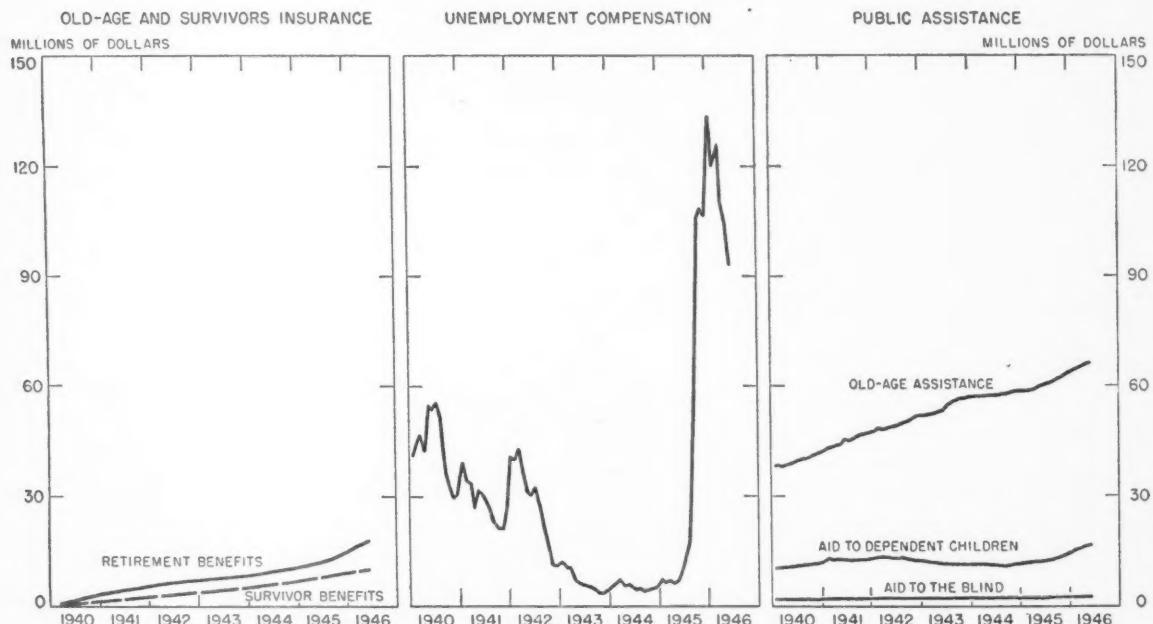
WASHINGTON, D. C.

Social Security Operations*

INDIVIDUALS RECEIVING PAYMENTS



SOCIAL SECURITY PAYMENTS



* Old-age and survivors insurance, beneficiaries actually receiving monthly benefits (current-payment status) and amount of their benefits during month; unemployment compensation, average weekly number of beneficiaries for the month and gross benefits paid during the month under all State laws; public assistance, recipients and payments under all State programs.

Social Security Bulletin

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Social Security in Review

Social Security and Related Legislation

In the closing days of the 79th Congress, H. R. 7037, the Social Security Act Amendments of 1946, was passed by both Houses and became law on August 10 with the President's signature (Public, No. 719). Among other changes, the legislation freezes the employer and employee contribution rates for old-age and survivors insurance at 1 percent each for 1947; provides benefits for the survivors of veterans of World War II, under certain conditions; extends unemployment insurance to maritime workers; and changes the Federal matching provisions for grants-in-aid in public assistance. The amendments are summarized briefly on page 5 of this issue and will be discussed more fully in a subsequent issue. A Senate resolution (S. Res. 320), considered and agreed to on August 2, authorizes and directs the Senate Committee on Finance "to make a full and complete study and investigation of old-age and survivors insurance and all other aspects of social security, particularly in respect to coverage, benefits, and taxes related thereto so that the Senate may be prepared to deal with such legislation on these subjects as may hereafter originate in the House of Representatives under the requirement of the Constitution."

Amendments to the Railroad Retirement Act and the Railroad Unemployment Insurance Act also became effective on July 1, when the President signed H. R. 1362 (Public, No. 572). The new legislation establishes

monthly benefits for survivors of insured railroad workers and provides sickness and maternity benefits under railroad unemployment insurance. The act also increases the rate of taxes for the retirement program to 5 1/4 percent each on employers and employees for 1947 and 1948 and gradually the rates to a maximum of 6 1/4 percent each in 1952 and thereafter. No change was made in the 3-percent tax on employers for railroad unem-

ployment insurance purposes. A description and analysis of these and other provisions of the amended laws will be carried in a later issue.

In addition, three new grant-in-aid measures were enacted in the health and welfare field which contain allotment and matching provisions differing in some respects from those under existing programs. The Hospital Survey and Construction Act which became law on August 13 (Public, No. 725) authorizes Federal grants to States for surveying and planning hospital needs and for construction

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Operating data in this issue continue to carry references to the Social Security Board, since the data relate to the month or months before the Social Security Administration was established.

of public and other nonprofit hospital and public health centers (see page 55). The grants are to be allocated on a basis which takes into account not only population but also State per capita income, and are to cover one-third of the cost of approved projects. Establishment of a National Institute of Mental Health, in or near the District of Columbia, is authorized by the National Mental Health Act (Public, No. 487), which also authorizes grants-in-aid not only to States but to public and private institutions and individuals for research, for training and instruction of qualified individuals, and for demonstrations and training of personnel for State and local health work. No State matching of Federal funds is required by this act. A permanent basis for the school lunch program is provided in the National School Lunch Act (Public, No. 396), which authorizes grants to States, in the distribution of which State differences in per capita income are to be taken into account (see page 53). In addition, for States with per capita incomes below the national average, the matching ratio between Federal and State funds is scaled in inverse proportion to per capita income.

Federal Security Agency Organizational Changes

The Social Security Administration was established as one of four operating branches of the Federal Security Agency under the new plan of organization announced by Watson B.

Miller, Federal Security Administrator, on July 16, 1946, pursuant to President Truman's Reorganization Plan No. 2.

The "wide gamut of activities" carried on by the Agency, Mr. Miller said, "has made it necessary in the past and will make it more necessary in the future that the Federal Security Administrator decentralize day-to-day activities of the Agency," assemble these various activities "into homogeneous operating branches of the Agency, each branch to be in charge of an official directly responsible to the Administrator," and "strengthen the staff offices advising and reporting directly to the Administrator on Agency-wide functions in order to make certain that uniform policies and procedures are observed throughout the Agency."

The plan of organization achieves these objectives by setting up four operating branches and two new staff offices in addition to those already functioning.

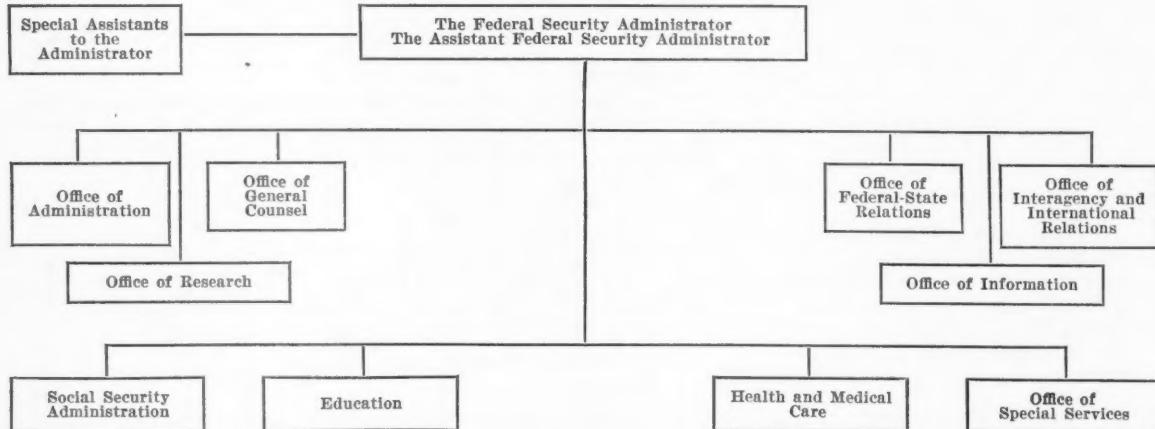
As one of the operating branches, the Social Security Administration will include the three programs for which the Social Security Board had responsibility under the Social Security Act—old-age and survivors insurance, unemployment insurance, and public assistance—as well as the activities of the Children's Bureau transferred to the Federal Security Agency by the President's Reorganization Plan. Arthur J. Altmeyer, formerly Chairman of the Social Security Board, is Commissioner for

Social Security, and William L. Mitchell, formerly Assistant Executive Director, is Deputy Commissioner.

The three other operating branches are Education, Health and Medical Care, and Special Services. The Education branch includes the present Office of Education and, in addition, the Federal functions relating to the American Printing House for the Blind, Columbia Institution for the Deaf, and Howard University. Mr. Miller announced that he had asked John W. Studebaker, the Commissioner of Education, to act as head of the Education branch. The Health and Medical Care branch, headed by Dr. Thomas Parran, Surgeon General of the U. S. Public Health Service, comprises the activities of that Service and those of St. Elizabeths and Freedmen's Hospitals, and the Division of Vital Statistics. Under Special Services are grouped the Food and Drug Administration, Office of Vocational Rehabilitation, Office of War Property Distribution, Office of Community War Services, the activities of the U. S. Employees' Compensation Commission, and the newly created Appeals Board. Mrs. Jewell W. Swofford, formerly Chairman of the U. S. Employees' Compensation Commission, has been appointed Commissioner for Special Services.

Mr. Miller also announced that, in addition to the Agency's present staff offices—Administration, General Counsel, Research, and Information—there would be "two new staff offices of great importance"—one concerned

Federal Security Agency Plan of Organization



with Federal-State relations and one with interagency and international relations. The Office of Federal-State Relations, of which George E. Bigge is Director, will work to coordinate the administration of grant-in-aid programs through establishing, "insofar as practicable, (a) uniform standards and procedures relating to fiscal, personnel, and the other requirements common to two or more such programs, and (b) standards and procedures under which a State agency participating in more than one such program may submit a single plan of operation and be subject to a single Federal fiscal and administrative review of its operation."

The Office of Interagency and International Relations, of which Ellen S. Woodward is Director, will be responsible "for formulating, establishing, and coordinating the relationships of the Agency with other Federal agencies, international agencies, representatives of foreign governments, and organized groups in the fields of health, education, welfare, and social security."

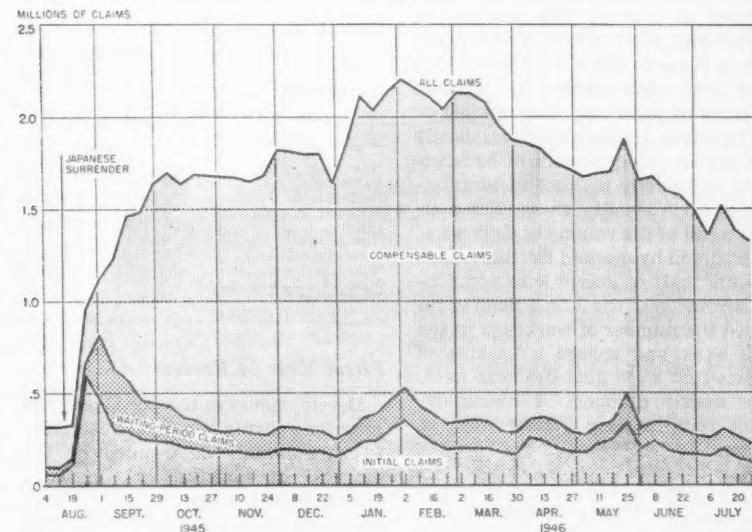
The relationship between the operating branches and the six staff offices is illustrated in the accompanying chart. Mr. Miller expressed his confidence "that this new plan of organization will increase immeasurably the efficiency of the Agency . . . However," he added, "this plan is not regarded as a perfect product and there will be continuous studies looking to improvement in both organization and procedure."

The Labor Force in July

The economic scene was dominated in July by controversies on prices. The clash of divergent interests was precipitated by the expiration of the old OPA law on June 30, but the stage for the show-down had been set by the progress of reconversion. Since the beginning of 1946, OPA had systematically relaxed its control and allowed prices to rise when this course seemed necessary for further expansion of production. At the same time, thanks to the growing production of scarce commodities, the customary competition among sellers began to develop, preventing excessive advances of decontrolled prices and pushing some prices down.

Occasional cuts in prices, however,

Weekly number of claimants for unemployment benefits, August 4, 1945-July 27, 1946



were overshadowed by the prevailing upward tendency, supported by a strong demand in both domestic and foreign markets and a rise in costs of production. All in all, in the first half of 1946 the wholesale price index advanced at a rate of five-tenths of 1 percent monthly, and the consumers' price index inched up at a slower pace. This price structure was favorable for a smooth and gradual reconversion, but it created some difficulties for industries in which price ceilings seemed too low in view of the increased cost of production. These industries spearheaded the attack against OPA. The controversial issue was not whether prices should be frozen or permitted to rise, but rather how far they should be allowed to advance in the present phase of the reconversion, while supply is still far behind demand.

The temporary suspension of price control resulted in a feverish rise of prices of so-called "basic" commodities; the index for 28 selected commodities advanced 25 percent from June 29 to July 20. The more inclusive index of wholesale prices rose, from June 22 to July 20, about 14 percent for farm products and 2.5 percent for other commodities. The 5-percent advance in cost of living between June 15 and July 15 was limited essentially to food. The rise of other prices in retail trade was checked by

the resistance of consumers, evidence of the gradual return of the economic system to peacetime conditions, which presume ultimate control of the flow of commodities by consumers' desire or reluctance to buy them at the existing prices.

Although the price whirlwind in July marked a step forward in the reconversion, it created a climate of uncertainty, reflected in violent fluctuations on the stock market. The effect of these factors on production and employment was less than might be anticipated. There was no immediate expansion in the areas of production that had been most handicapped by the low price ceiling. Nor was there any marked decline in production as a result of the "buyers' strike." Perhaps the time was too short for such a reaction to develop. All that can be said of production and employment in July is that their overall advance was temporarily slowed down by price uncertainties.

Moreover, the situation was rather spotty. Production of steel showed no appreciable advance. Output of motor vehicles continued to rise, from 67,000 in the week ended June 29 to 87,000 in that ended July 27. Expansion of building construction was handicapped by shortage of materials. Considerable gains, partly, seasonal, were recorded in food-processing industries.

Unemployment under the State unemployment insurance programs continued to recede. The number of initial and waiting-period claims declined because there were fewer layoffs and replacements of civilian workers by veterans. The number of compensable claims went down, partly because of reemployment of beneficiaries and partly because of termination of their benefit rights. This general trend in the volume of claims was interrupted by marked fluctuations in the first half of July due to administrative factors: the July 4 holiday reduced the number of workdays in the first week and caused a backlog of claims that were filed the next week. The weekly numbers of unemployment compensation claims were as follows:

Week ended	Initial	Waiting period	Compensable
April 27	172,196	110,743	1,430,036
June 1	183,837	113,458	1,344,543
June 29	161,583	101,257	1,201,940
July 6	155,651	100,795	1,098,465
July 13	158,628	110,871	1,216,482
July 20	141,061	120,671	1,119,038
July 27	124,468	95,939	1,108,307

¹ Excluding "transition" claims for the beginning of a new benefit year in New York.

² Excluding 35,400 "transition" claims in the State of Washington.

Apart from this fluctuation, the number of claims apparently declined in June and July at a diminishing speed. This phenomenon may have been temporary and due to the slowdown in the pace of reconversion but may also signal the approaching point of equilibrium in the labor market. Since the claims and benefit load under State unemployment insurance programs is unlikely to return to the low point it reached during the war, it will probably be stabilized temporarily on a level somewhere between that point and the peak in the initial phase of reconversion.

The number of claims declined in July in all regions and in almost all States except New York, where the claims load was bolstered by the beginning of the new benefit year. The rate of decline varied widely from State to State and in some cases may have been due more to exhaustion of benefit rights than to reabsorption of unemployment by expanding economic activities. The following figures were reported by the 10 States

with the highest numbers of claims in the week ended June 29.

State	Continued claims (waiting-period and compensable)	
	Week ended June 29	Week ended July 27
New York	214,519	220,475
California	152,729	123,745
Pennsylvania	122,586	105,874
Michigan	97,993	96,240
Illinois	95,225	88,349
New Jersey	60,970	57,154
Massachusetts	57,653	55,420
Ohio	57,297	46,643
Missouri	33,671	31,839
Washington	30,611	30,352

Fiscal Year in Review

Developments in the social security programs during the fiscal year 1945-46 were largely determined by the progress of reconversion. Most of the trend in activities had been foreshadowed toward the close of the preceding fiscal year, though the mass unemployment predicted by some forecasters failed to materialize. From 269,000 in June 1945, initial claims rose to 1,230,000 in August and to 1,234,000 in January, under the impetus of seasonal factors and industrial disputes; by June, however, the number had dropped to 762,000. Continued claims, after receding slightly from the 1945 peak of 6.7 million in October, also went to a peak of 8.3 million in January, but by June the monthly total was down to 5.4 million. The average weekly number of beneficiaries rose during the year from 129,405 in June 1945 to 1.2 million this June; and benefit disbursements went from \$0.7 million to \$93 million. January was also the peak month for both beneficiaries and payments, when an average weekly number of 1.6 million persons received \$133 million in benefits.

IN OLD-AGE AND SURVIVORS insurance, the fiscal year was marked by a rise in number of benefits awarded, and particularly in awards to primary beneficiaries and their wives. At the end of this June, 1.5 million beneficiaries were receiving current payments, at a monthly amount of \$28.2 million. Of this 1.5 million, 825,300 or 55 percent were primary beneficiaries and their wives, and 559,900 or 37 percent were children and widows with children in their care. A year

earlier, primary beneficiaries and their wives had represented 51 percent of all beneficiaries receiving current payments, and children and young widows were 41 percent. The latter group was the one particularly affected by the drop in war casualties, when hostilities ceased.

IN ALL FOUR public assistance programs the number of recipients was larger in June 1946 than a year earlier. Beginning in August for aid to dependent children and a month or so later for old-age assistance and aid to the blind, the numbers rose each month throughout the fiscal year. General assistance, which is much more sensitive to fluctuations in the labor market, showed more variations in case load from month to month; by June of this year, after 3 months in which the number of cases on the rolls declined, the total number receiving assistance was 20 percent higher than in June 1945. The total amount disbursed rose in every month but one during the year—from \$81.1 million in June 1945 to \$94.7 million this June.

Appropriations for Social Security Administration, 1946-47

The Labor-Federal Security Appropriation Act, 1947, signed July 26, appropriated a total of \$593 million for programs under the Social Security Administration in the current fiscal year. Of this amount, \$555.1 million was for grants to States under the Social Security Act: \$484 million for old-age assistance, aid to dependent children, and aid to the blind; \$49 million for unemployment compensation administration; \$5.8 million for maternal and child health; \$3.9 million for services for crippled children; and \$1.5 million for child welfare services. In addition, the Children's Bureau receive \$16.7 million for grants to States under the emergency maternity and infant care program. The balance of the total appropriation represents salaries and other administrative expenses.

Supplemental appropriations provided in House Joint Resolution 390 (Public, No. 663), approved August 8, make available increased amounts under maternal and child welfare programs. The total annual appro-

(Continued on page 16)

Brief Summary of the Social Security Act Amendments of 1946

The five titles of the bill (H. R. 7037) amending (1) the Social Security Act (titles I, II, IV, V, X, and XI, with a new title XIII), and (2) the Internal Revenue Code (the Federal Insurance Contributions Act and the Federal Unemployment Tax Act) are as follows:

Title I—Social Security Taxes amends the Federal Insurance Contributions Act of the Internal Revenue Code by freezing employer and employee contribution rates for old-age and survivors insurance at 1 percent each for the year 1947. The existing provisions of law providing that the rates go to 2½ percent each in 1948, and 3 percent each in 1949 and thereafter, are retained.

Title II—Benefits in Case of Deceased World War II Veterans amends the Federal old-age and survivors insurance provisions (title II of the Social Security Act) by adding provisions with respect to certain veterans who die within 3 years after discharge. In general, it guarantees survivors of veterans the same benefit rights they would have enjoyed had the veteran died fully insured under the system, with average wages of not less than \$160 per month and a year of coverage (in addition to years of coverage otherwise earned) for each calendar year in which he had 30 days of military service after September 16, 1940. The guaranteed insured status will not be available when the survivors are determined to be entitled to pensions or compensation from the Veterans Administration or when the serviceman died in active service (in cases of reenlistment). Survivor benefits based on covered employment before or after the veteran's military service, however, are not affected.

Title III—Unemployment Compensation for Maritime Workers amends the Federal Unemployment Tax Act of the Internal Revenue Code so as to include private maritime employment, and authorizes the States, under specified conditions, to cover such employment under their unemployment insurance laws. The bill also provides temporary benefits to workers with Federal maritime employment, under a new title XIII of the Social Security Act (Reconversion Unemployment Benefits for Seamen). Though these temporary benefits are scheduled to begin 5 weeks after enactment of the law and end June 30, 1949, Congress did not appropriate any funds for this purpose before it adjourned, and therefore benefits cannot be paid with respect to any unemployment occurring prior to the date such funds are made available. During the period that benefits will be payable, unemployed seamen with Federal maritime service on vessels operated by the War Shipping Administration will be eligible for unemployment insurance, using such credit for benefits under State unemployment insurance laws. Additional costs for paying these temporary benefits will be borne by the Federal Government.

Title IV—Technical and Miscellaneous Provisions. Section 401 of this title of the bill extends title V of the Social Security Act (maternal and child health, crippled children, and child welfare) to the Virgin Islands, increases the authorization for grants to the States for this purpose from \$11,200,000 annually to \$22,000,000, and authorizes an increase in the amount for administrative expenses under that title. Sections 402 to 415, inclusive, are in

general technical changes in old-age and survivors insurance, the most important of which are:

1. Liberalization of parent's benefits by changing the requirement that a parent must have been "wholly" dependent on the deceased wage earner to "chiefly" dependent.
2. Repeal of the requirement that children between the age of 16 and 18 must attend school as a condition for receipt of a child's benefit.
3. Revision of the definition of the term "wages" to permit simplification in making refunds to employees who received wages of more than \$3,000 from more than one employer during a calendar year.
4. Authorizing recomputation of any monthly benefit in order to pay the highest benefit.
5. Permitting retroactive payment of primary benefits for as much as 3 months.
6. Liberalization of the definition of "currently insured individual" to count wages in the quarter in which death occurs.
7. Liberalization of the definitions of "child" and "wife," and elimination of children and parents (unless they have paid the funeral expenses) from entitlement to lump-sum death payments.
8. Elimination, after 6 months, of lump-sum payments under 1935 law to persons who died before 1940 and provision for allocating 1937 semiannual wages on a quarterly basis.

Section 416 permits the 9 States that have collected contributions from employees under State unemployment insurance laws to withdraw such contributions from the Federal Unemployment Trust Fund and use the money to finance disability insurance benefits.

Title V—State Grants for Old-Age Assistance, Aid to Dependent Children, and Aid to the Blind makes three changes in the public assistance titles of the Social Security Act for the 15-month period October 1, 1946, to December 31, 1947:

1. An increase in the maximum Federal contribution from \$20 a month in old-age assistance and aid to the blind to \$25, and in aid to dependent children from \$9 for the first child and \$6 for each additional child to \$13.50 and \$9, respectively.
2. An increase in the Federal share of State assistance payments from one-half of all State expenditures up to \$40 per individual for the aged and the blind, and \$18 for the first child and \$12 for each additional child, to two-thirds of all State expenditures up to an average of \$15 for the aged and the blind, and one-half of such additional expenditures up to \$45 for an individual, and to two-thirds up to an average of \$9 per child and one-half of such additional expenditures up to \$24 for one child and \$15 for each additional child.
3. Provides that the Federal share of the cost of State administration of assistance to the aged shall be on the same basis as that for the blind and for dependent children, that is, one-half of the sums expended for the proper and efficient administration of the State plan.

Community Prerogative and the Legal Rights and Freedom of the Individual

By A. Delafield Smith*

THE INDEPENDENCE and unplanned, unregimented freedom of action of its rich and powerful members is not the test of a free society. The test of a free society will be found in the scope of right and privilege possessed by its weakest elements—those who are under the greatest pressure to surrender their independence. These furnish the test. As Franklin D. Roosevelt said in his message to the Congress of January 1944, "We have come to a clear realization of the fact that true individual freedom cannot exist without economic security and independence."

I recognize that progress entails temporary compromises with popular conceptions and that fictions and paradoxes are inevitable until basic attitudes change. Nevertheless, it is important for us to know what is fiction and what is truth. Experts need fixed pillars of principle by which to set their compasses. We need to realize first of all that this combination of security and independence and freedom is possible only through the operation of law. The search for freedom without legal obligation leads to conflict and insecurity and the search for security without legal rights leads to serfdom, or loss of independence and freedom.

Now, as the basis of a claim, law and gratuity are antonyms. He who provides a gratuity is a benefactor. He who must satisfy a legal claim is an obligor. These capacities are antipodal. When you pay your barber and tender him one dollar, saying seventy-five cents is for the haircut and the extra twenty-five cents is a gratuity, he may reply, "Brother, you're no benefactor. The legal charge is one dollar and you're an obligor for the full amount." The challenge is obvious. Then let us be fully aware of the essential challenge in this phrase "the right to security." The agency becomes an obligor and not a benefactor. Presumably this

entails a rather basic change of attitude. But in that reversal of capacity the agency will gain immeasurable and much needed freedom for itself within the community. It will find comfort only when it can say "Mister, I do this, and I don't do that, because this is the law and that is not the law."

Public Services Are Not Gratuities

Tradition asserts that economic aid is by nature a gratuity and that the use of the tax power for this purpose makes the community or its government a benefactor. Actually every basic social and civic service, in which the government is not acting in a proprietary capacity, has much the same history as it emerges from a voluntary service to a basis of public obligation and individual right. Police protection is among the first. Fire protection closely follows. Education became more and more a community necessity. Then comes economic security as an early step in preventive services. As laws and ordinances are adopted under which the claim of each and every member of the community to any service will be considered, the service comes to be administered on the basis of the individual's need for it and to be paid for from the general fund. Government properly administers its services on the basis of need. Need thus furnishes the measure of the individual's right or benefit. The service is properly paid for, however, through a scientific system of taxation. If the individual who pays no taxes commensurate with his draft upon the public service can be deemed the recipient of a gratuity in the case of one such service, he must logically be so treated in the case of every other.

The attempt to define the individual's right or benefit in terms of his tax-paying capacity is nowhere more incongruous than in the field of economic need, for economic need is greatest where economic capacity is least. Obviously you cannot ultimately relate benefits to earnings and still relate them to need. To say, however, that this axiom precludes

the establishment of economic security as a universal legal right is to deny the efficacy of law in the preservation of a free, balanced society. If constitutionally protected legal rights could not be created except for earners or for consideration, many of us could never acquire rights in proportion to our obligations. Individuals gain freedom and independence when their obligations are geared to capacity and their rights are geared to need. In seeing to it that essential rights are preserved in the absence of capacity, social security helps to preserve a free and resilient society.

This is not the time for any extended analogy. But let me observe that my preference among the reasons for the collapse of ancient Rome was her insistence that the price of economic subsistence was subservience. She never conceived the notion of setting up economic security on a basis of law and right. She thus made wards of her free citizens. Feudalism was thus born in Rome itself. History attests that the search for security takes priority over the search for freedom but that the two are compatible bedfellows only when both are provided by law.

Security Must Rest on Law

The question today is whether we are going to provide security without the sacrifice of individual independence and under conditions that will foster individual freedom, or whether on the contrary the provision of security will continue to foster the feeling of dependency, and the sense of being wards of a benevolent government. The answer to this question depends upon whether we are going to provide security as a matter of law, and this in turn depends on our ability to sever the service of security from the whole train of irrelevances with which it is traditionally associated.

Now this problem that we face is of course one basically of attitude and conception—I might add, of almost legendary conception. If then in comparing traditions or traditional conceptions my words appear biased, take it that I am pleading for law as the essential basis of social security compatible with individual freedom, and offering it as the only ultimately sound expression of community prerogatives. Law is often the only

*Assistant General Counsel, Federal Security Agency. This paper was delivered at the National Conference of Social Work, which met in Buffalo May 20-25.

effective answer to sporadic views and attitudes that either have not themselves been written into law, or can be shown incompatible with accepted legal principles, even though statutory language is cited in the effort to make them seem authentic.

Let us get a picture. On the one hand, you reach back to the fact that private groups were wont to concern themselves with specific problems in which they became humanely interested—problems, for example, of children whose parents have deserted them or are incapacitated or are neglectful or cruel. This tradition of problem differentiation was carried over into the public field. In contrast one thinks of law as developing under the aegis of government and therefore as having to develop a science of objective classification of individuals in answer to the challenge: is this legal equality, is this equal protection? Can you square your treatment of this individual with what you have done about that one? Secondly, you have, by tradition, need associated generally with personal inadequacy and moral weakness as well as with mental or physical incapacity. Is there not in this an assumption of irresponsibility, in contrast with which the legal tradition adamantly assumes or premises the mental and moral responsibility of the individual. For example, if lack of responsibility by reason of mental incapacity be established in any case, then it will be supplied through guardianship by operation of law.

Illustrating these points, we have in the process of classification excluded children from a welfare or assistance program among other things because they do not live with a relative or because they live with alien relatives, or because they have been placed with relatives of a different religious faith, or because they are not legitimate, or because of a general disapproval of the home environment, or because they do not go to school. Some of these exclusions violate basic legal criteria of classification, such as constitutional law requires, for the Constitution demands laws that give equal protection to individuals. We have classified our children in terms of the sins of their parents. They are identified in statutes as children of alien, or unmarried, or deserting, or crimi-

nal, or drunken, or incarcerated, or otherwise delinquent parents.

As for the adults themselves, there is even more concern about their behavior and attitudes than there is with children. Should one or should one not give assistance to a person who drinks too much—who displays articles of luxury upon which he has set his heart—who is idle—who fails morally—who appears unwilling to do the utmost for himself—who lives in an unsuitable home—who fails to pay his rent when due—who fails to perform his other obligations—who chooses to live in an unlicensed establishment—one, I might add, which the welfare department does not approve but which the government permits to exist and solicit his patronage? Should one or should one not pay assistance to one whose relatives might but don't support him? In these latter cases, we have the wrong individual under our thumbs, to use the withholding sanction effectively.

What the individual does in each case I have listed may be quite legal. The behavior in question has not been outlawed. You may drink unconventionally yet not illegally. You may buy in this country what you wish or enjoy, barring such things as habit-forming drugs or automobiles at too high a price. Though a child, you may live in a home that does not violate ultimate objective standards enforced by the community to protect health and morals. You may even be immoral without violating the law. Idleness standing alone is not subject to punishment. There is a right to strike. Generally speaking, it is not a criminal offense to fail in the payment of your just obligations. Debtors no longer go to jail. All in all, the process of carrying the charitable tradition into the public forum seems to have implied an authorization to public administrators to devise a behavior code of somewhat higher standards than public law has found it feasible to enforce. This reminds me that the law does not wield this sanction of withholding assistance. And in the above situations ordinary legal principles, if applied, would not sanction such a sanction.

Behavior v. Objective Law

When I first came across a suitable home provision I found no real diffi-

culty with it because I was legally and not traditionally trained. I simply turned to recent cases in our higher courts to find under what conditions a child would be removed from his home. But I had not reckoned with tradition. Why a child should be allowed to stay in a home regarded as unsuitable, without the means of subsistence, I have not been able to determine. Moreover, if the failure of the parent to accept rehabilitation services disqualifies the child, and you cannot remove him, the situation strikes me as pathetic. Following tradition I cannot decide whether a child "deprived of care and support due to the neglect or depravity of the parent" is rendered eligible or ineligible by these circumstances. One side urges the neglect, the other depravity.

Of course this is not security, it is not equality in any legal sense. This is the kind of thing that has given the word "welfare" an acrid flavor. It has set "charity" over against the "law." It distinguishes "right" from "need." It has made an old-age "pension" acceptable, but old-age "assistance" in the same amount and on the same terms unacceptable. It demands social "insurance" though the only insurable "hazard" is the bare fact of an empty cupboard. These are but words, words, words. No doubt they are also materials for a study in social psychology. In any event they afford clear evidence of the struggle that is going on between human dignity and human need.

There is a delightful subtlety in the question sung by Gilbert and Sullivan: "Is it weakness of intellect, Birdie," I cried, "or a rather tough worm in your little inside?" Because security is a prime necessity in the life of every individual, for the sake of which most individuals will sacrifice all else, insecurity is an evil independently of its cause in the particular case. Therefore, it is as inconsistent to condition assistance or security upon personal adequacy, whether of mind or body or of attitude or of behavior, as it is to condition it upon tax payments. You cannot, of course, condition assistance upon behavior and still use it as an instrumentality to bolster the individual's freedom of action and feeling of independence. You cannot buy behavior under a democratic ideology.

We obey the law because we have to, or better, because we wish to, but not because we are paid to do so. As for morality, you cannot buy it. You cannot even compel it by force.

To achieve its objective of promoting the individual's self-confidence and independence, security must be provided as a matter of law. The great value of law for this purpose is its bland objectivity. Under law, behavior is attacked within feasible limits only by direct and positive action. Legal rights do not depend on behavior. Law never seeks to buy behavior. It seeks to give rein to moral law. It seeks to allow the individual to benefit or suffer from his choices and sacrifices as freely as possible. This is quite inconsistent with the idea that behavior should enlarge or diminish legal rights. Law insists that the free exercise of rights is essential to democratic equality.

I would follow this principle to its limits. I prefer compulsory school laws to conditioning assistance on school attendance, and support laws to bargaining for it through public assistance. If we get to the point of underwriting a minimum standard of living throughout the country, presumably, for obvious economic reasons, we will have accompanying medical care and rehabilitation facilities. The ultimate question, therefore, is whether as a practical matter it is necessary to differentiate employable and unemployable persons on an authoritative basis. I should hope not. The program differentiation should, I think, follow from the mere fact that different individuals need and hence demand different things.

Traditionally, however, public assistance has concerned itself with the individual's behavior but has been relatively unconcerned with the fact that he who seeks security as a suppliant must master the arts of beggary. The individual may still fare better by an appeal to conscience than by an appeal to law. Public assistance has even varied the amount of its benefits in relation to the expenditure choices of the individual, forgetting that this of necessity involves the agency in dictating the limits of those choices and perhaps in guaranteeing the results. I think of moral law as indicating the power of the individual

to make decisions and choices provided he accepts the inevitable sacrifices that his choices entail. The voice of prejudice asserts that economic assistance in some way alleviates the sanctions imposed by this moral law or saves the individual from its consequences. I am afraid that traditional practice has tended to lend encouragement to this point of view. Obviously if it were true in any sense that public assistance protected the individual from moral retribution, it is all the more important that we should be able to lay its foundations firmly in human law, for law inherits its ideals of objectivity from moral and spiritual sources.

Browning's Pippa, you remember, was not like

"All other men and women that this earth
Belongs to, who all days alike possess
In readiness to take what thou wilt
give
And free to let alone what thou
refusest";

but Pippa was grateful for whatever came her way:

"Oh, Day," (or should we say, Oh, check) "if I squander a wave-
let of thee,
A mite of my twelve hours' treasure
(Be they grants thou art bound to
or gifts above measure)
(Be they tasks God imposed thee or
freaks at thy pleasure.)"

Pippa, you see, could least afford to await the fall of the dice; she could risk nothing but a dead certainty—that certainty and universality which moral law exemplifies and which the efficacy of human laws and dispensations (especially those intended to provide security) demands.

Obviously the social work profession who have justified for themselves that faith in the individual upon which the whole undertaking rests are gradually making headway against tradition. Convinced that the individual's conscious belief in his own security is of vital importance amid the irresistible economic currents of this day and age, they point out that merely seeing to it that human beings do not lack the requirements of decent living is by no means the ultimate objective. They realize that social security, to fortify the hearts and minds of men, must be established on a basis of legal and financial certainty. It must be conceived as a part

of our normal legal environment and not as a smug social prescription for the faults and failures of its protégés or of their relatives. We must regard the quality of legal rights quite as highly as the quantity of economic rights. Rights that give mental and emotional security must be firmly founded in law.

As a people we gather basic strength from the reign of law. There are two quaint Americanisms that succinctly express our feeling on this matter. The first is the phrase: "I got my rights!" The other is its corollary: "I ain't never had nothing that wasn't mine by rights." On these two stalwart declarations hang all the law and the prophets. They are keys to our morale.

In addition, in order to maintain a free society under modern conditions, security must be framed in terms that respect one's sense of autonomy. Individual choice must remain uncontrolled, unprejudiced, and free. We require the type of assurance that fortifies, but does not seek to govern, our wills.

Basic Legal Guarantees Must Be Applied

Now when we speak of right and law, let us be clear about one thing: we are talking of law on its home grounds. It is generally true that law has not been applied to welfare enterprises. Oh to be sure, welfare enterprises have always been highly esteemed by the courts for their useful and benevolent undertakings; but because gratuities and legal rights stand in opposition to one another, welfare enterprises have not been regarded as the law's concern. Of course courts are seldom appealed to in welfare. The appeal of a general relief recipient to the courts would still cause one to blink with surprise. He would fear to lose what security he has. He would not be so fearful, however, if he was standing on his rights and not asking favors.

I am speaking of law with absolute realism. The courts, in the absence of express legislative mandate, have abstained from the welfare field. They have not applied the basic legal guarantees either of legal procedure or of equal protection. When confronted with the issue the courts have said that the provision of assistance

is in the nature of a charitable provision or gratuity—as Browning says, a gift above measure, that is, above the measure of the legal right of the individual. In this attitude the courts mirror social conceptions. Legislation has so far failed to refute effectively this conception. Even as I wrote these words I picked up the Regional Attorney's report of a decision in a State court of last resort in an assistance case. It read: "It will be noted that the court cited the case of *Lynch v. U. S.* and concluded that as the Government had set up provision for a gratuity given as a matter of grace it has full power to vest in an administrative agency authority to determine whether the requisite conditions are met and to deny resort to judicial review."

Now what does this mean? First it means that welfare administrators and their programs have not been brought within the purview of our common law. Welfare administrators are still regarded as wielders of a general delegation of responsibility to represent the social conscience in relation to various groups of unadjusted humanity. Their activities are a kind of administrative appendage to our legal economic system. Public assistance bids fair to come within this general classification. It has not been saved by relationship to the rest of the social security program, for other security programs have by one emphasis or another sought to avoid the gratuity stigma.

It means that procedures essential to ensure equitable or equal treatment are not legally requisite. The programs are cut off from procedural expertise, for law is expert in procedure. The Social Security Act specifically invoked the judicial hearing requirement as a means of countering this situation. But this provision has literally fallen before traditional attitudes and preconceptions and the lack of objective standards. The equal protection principle has not been applied either. The door has been opened wide to those who would arbitrarily select the worthy beneficiaries of their largess and yield to political pressures. It has been possible to define covered groups capriciously and to treat eligibles unequally. The courts have not questioned this process.

What is true of eligibility is even more true of treatment. It often happens that an individual in need may be made the beneficiary of cash while another in like circumstances from the legal standpoint is either wholly excluded or is merely furnished orders for groceries or other commodities or some other service. Bills are drawn to divide blind individuals into two groups, one of which would include those who have some private resources, and the other, those who have substantially no resources. On this basis it was proposed to grant a monthly pension to individuals in the first group in a uniform amount without relation to the varying amount of their private resources, while each member of the second group would be required to establish his particular need for every cent allowed him on the basis of an individual investigation. The purpose of this novel idea was to secure Federal participation in the payments made to members of the latter group, while relieving the more affluent group from investigation of their need.

In the third place, welfare statutes themselves have not obtained judicial interpretation. Many provisions retain their traditional nonjudicial interpretations. These meanings are based on social preconceptions; for the human mind works that way. It is quite impossible for a lawyer to say what these discretionary provisions mean. If you wish to know what a welfare statute means, you will learn more from an experienced social worker than from a lawyer.

Security the Business of Government

A community provides itself with a government. Having organized a government, it is elemental that it should speak and act through that government. Its government commits the community both to procedure and principle, and that to which the community commits itself is law. The community does not easily or lightly commit itself. Law is born amid travail, but when law is born it properly displaces both benefaction and malefaction. It provides for us the simple phrase or answer, "Mister, it's the law." There you have the present dilemma. Law, not having been established in our field, the community

still speaks directly and not through its duly constituted authorities. Now when the community speaks directly it speaks with a confused, discordant voice. Prejudice sounds off with as much apparent authority as though it were law, for law remains silent. That, I take it, is the real reason for a session such as this in which we are engaged, for the social work profession is asking what answer it can make to the community when it cannot say "This is the law." We are suspended in parachutes supported by atmosphere and borne down by currents we are not empowered to resist. We can get no footing from which to support our clients. We come into contact with law only at the dead level of the ground, I mean the police power, where logic and reason are less in evidence and law itself is most arbitrary and authoritative. The profession no doubt would find great relief in the thrill of a high-powered legal debate on some of these basic issues of rational classification before our higher courts of justice.

We demand solutions. We must recognize that the conflict arises between conditions essential to real security and traditional conceptions and attitudes. We must live through this era of fiction and paradox before we can outwardly proclaim the truth. But there are some things we can do.

First, we can deliberately discard one by one these traditional interpretations that are not required by law but grow out of our own involvement with tradition. These are not legal or judicial interpretations. They are not consonant with judicial criteria. Obviously we are as free under law to discard them as we were to adopt them. For example, we can certainly insist that a home is suitable for assistance so long as it is suitable for the child to stay there. This is just common sense.

In the second place, we can refuse to exercise a discretion given by a statute when the exercise of that discretion would involve moral judgments, that is, supra legal or supra judicial judgments of people. Moral judgments are authoritative judgments. Penal law is authoritative, but the more authoritative it becomes the more objective it seeks to be. We can avoid being subjective and authoritative at the same time. Sub-

Jectivity is all right for diagnostic purposes, for it is the method of research. Objectivity is essential to administration.

Psychiatric findings of mental incompetency should be submitted to a court before they are authoritatively used. Certain public agencies have caused individuals to present themselves to a court and to ask for guardianship, as the condition for receiving public assistance. Such an individual must allege that he is mentally incompetent, or at least wasteful, through idleness or debauchery, following the words of the governing statute. One is tempted to ask how, being incompetent, he knows he is incompetent. If he does not but the agency does, then how can one say he is voluntarily conceding the issue of his competency.

Legislatures may be relied upon at present not to compel traditional practices inconsistent with a body of statutory law which is constantly becoming more objective. A number of assistance laws today contain only objective criteria of eligibility, and at least one such law actually writes in a definite authorization to the administrator to classify all eligible individuals in accordance with objective factors that necessarily affect the cost of a given living standard. It simply was not done.

In the third place, we should seek by every means at our disposal to get into our assistance statutes, expressly and specifically, the statement that the benefit is not to be construed as a gratuity but as the creation of a right socially and economically justified and subject to judicial review and interpretation and to the constitutional guarantees of due process of law and equal protection of law, as any other right. Now would not that be something! The effect of this would of course be to delete the type of discretion that lays administrators open to community comment, and to open for them the doors of the court. All in all would one prefer to be tried by a court or by the community?

In the fourth place, we can work for basic certainty and objectivity in all assistance administration. This will be obtained if standards are framed in accordance with costs determined on as broad a basis as possible, a basis

wholly unrelated to individual expenditure patterns. Only thus will we secure really valid standards. Then in the application of these standards we should see that no variations are made except in terms of classifications developed on the basis of objective factors, wholly independent of individual choice or volition, and significant only as variants essential to provide the equivalent of the standard in a given type or situation. You will thus force individual choice and volition back upon the individual, where it belongs, and bar it from a public agency, where it does not belong.

For another thing, we need to recognize that this whole issue of behavior is symbolized by the idea of public wardship, and that the role of a guardian responsible for another's behavior is authoritative, not professional. Anglo-Saxon law avoids governmental management of individuals. It leaves them to manage their own affairs unless found incompetent in a judicial proceeding. In that case personal supervision is provided for by guardians amenable to the courts because responsible for another's behavior.

If the individual is actually as important as we conceive him to be in a Christian democracy, must he not be assured of the legal capacity to realize upon the rights and opportunities which democratic law makes available to him? There are only a limited number of incompetent people in any group, and there is no fiscal reason why they should not be classified for assistance purposes on a basis which will provide for them the legal services to which they are entitled. The relief of physical handicaps is known to be expensive and the treatment of mental handicaps must be regarded as even more so. The mentally handicapped are entitled to judicial as well as medical service. Only in this way will the social work profession maintain its professional status throughout and avoid being considered guardians merely because they are social workers. It is not democratic to leave the duties of private guardianship to government officials and employees. The State has many relations with the individual citizen and their respective interests are not always in true harmony—un-

less of course we adopt the fascist point of view. The State can in a sense act as guardian of all of us—it can be a *parens patriae*—but the State cannot in a democracy properly act as a guardian of particular individuals, not without forfeiting our hope of a fundamentally free and independent society.

I realize, however, that the provision of private guardianship for those who otherwise lack legal capacity will involve basic changes in social practice. Parentless children are still widely dealt with in a manner wholly unbefitting their dignity and importance as individuals. The custody and cultural development of tens, nay hundreds, of thousands of children are still assigned to people, such as foster mothers and keepers of boarding homes, who do not assume a legal responsibility for the child commensurate with the trust reposed in them. Reliance is placed upon the continued supervision of the representatives of public agencies who treat him as a ward of the state. The child has no champion of his individual rights and interests, no one who cherishes him above all others. Under the circumstances the purposes of social security in giving the child an independent income are not realized, and he remains a public ward and lives under an institutional regimen. I think every child who has no natural guardian should have its legal substitute. The institution of private guardianship is one of the cornerstones of a free society.

This is the issue today as I see it. We must make mankind and his security the business of all branches of government, executive, legislative, and judicial, and stop delegating our consciences to "Superintendents," be they "of the poor." "Business," cried the Ghost, wringing his hands again, "Mankind was my business. The common welfare was my business . . . The dealings of my trade were but a drop of water in the comprehensive ocean of my business." In closing I pay my tribute to social work skills and to social work as a profession. God knows there is need for greater skills than we yet possess. But how you gain the law and how you adorn the law when you gain it is the challenge I must leave with you.

UN Organizes in the Social Field: The Social Commission

By Savilla M. Simons*

Through UNRRA, many nations have been working together to try to alleviate some of the social disorganization and distress following immediately on the war.¹ The meeting of the Temporary Social Commission established by the Economic and Social Council of the United Nations is a first step toward a permanent international organization concerned not only with emergency aid to the "socially wounded" but with long-range steps to aid in assuring the peoples of the world the goods and services necessary to meet common human needs.

THE UNITED NATIONS have taken the first steps towards developing a structure for intergovernmental collaboration in the social field. A major purpose of the United Nations, as set forth in the Charter, is "to achieve international cooperation in solving international problems of an economic, social, cultural, or humanitarian character." As a means for carrying out this purpose, the Economic and Social Council was set up as a principal body of the United Nations, with status equal to that of the Security Council and power to establish commissions and subcommissions to advise it on various aspects of economic and social problems. Some of the functions in the broad field with which the Council is concerned will be carried on by specialized agencies created by separate, intergovernmental agreements, such as the International Labor Organization, the Food and Agriculture Organization, the United Nations Educational, Scientific, and Cultural Organization (UNESCO), and the new World Health Organization. These agencies are being brought into relationship with the Council.

The Temporary Social Commission, created by the Council to make recommendations on permanent organization, had the benefit of proposals made by British and American groups concerned with social work and social

security. In the United States, a proposal for an international organization in the field of social welfare was developed by representatives of national private social work organizations after exploratory discussions with representatives of governmental agencies, including the Social Security Board, and the Division of International Labor, Social, and Health Affairs of the State Department. The proposal was presented to the Under Secretary of State in January of this year by the National Committee on International Organization for Social Welfare, operating under the auspices of the National Social Welfare Assembly, and was made available to the members of the Temporary Social Commission.

Temporary Social Commission

Establishment

The Economic and Social Council, at its first meeting in London in February 1946, established the Temporary Social Commission to advise it on international organization in the social field. The Commission was asked to review the present organizations in this field and the problems not covered by them and to make recommendations on the desirability of establishing any new international organization in the social field; to report on the advisability of bringing under the Economic and Social Council the activities in this field that have been carried by the League of Nations and the International Penal and Penitentiary Commission; to assume temporarily—pending the establishment of permanent machinery—the work of the League of Nations on traffic in women and children and on child welfare; and to report on social problems requiring immediate attention.

The Commission was composed of eight members, appointed to serve until March 31, 1947. The members were from the following countries: the United Kingdom, France, Czechoslovakia, Colombia, Peru, Cuba, Greece, and Yugoslavia. Henry Hauck of France was elected Chairman, S. W. Harris of the United Kingdom, Vice Chairman, and Dr. Frantisek Kraus of Czechoslovakia, Rapporteur. Miss Katharine Lenroot, Chief of the U. S. Children's Bureau, served as Secretary of the Commission and was assisted by Miss Alice Shaffer of the U. S. Department of State.

The Commission met from April 29 to May 17 at the United Nations headquarters at Hunter College, New York City. In the opening address, Henri Laugier, Assistant Secretary General for Social Affairs, called on the Commission to lay down "a world policy intended to fight poverty and social decadence by improving the conditions of the material existence of the masses and placing at the disposal of all the full wealth of civilization." This broad democratic concept of its purposes dominated the Commission's discussions and decisions.

The influence of modern democratic concepts on the Commission's thinking was evident in its consistent concern with the conditions of life of populations as a whole and its insistence that beneficiaries of social programs participate in formulation of policies affecting such programs. The attitudes and recommendations of the Commission were also marked by emphasis on the interdependence of social and economic policies and the necessity of using economic measures to gain social objectives. This broad approach led to emphasis on the relationship of the social aspects of the activities of other international agencies in related fields to the work of any organization in the social field and the need for coordination. The discussions reflected a dissatisfaction with past accomplishments in improving social conditions throughout the world and a vigorous determination not to be held down by prewar patterns but to start afresh with a bolder approach to social problems of an international character.

* Chief, Assistance Analysis Section, Statistics and Analysis Division, Bureau of Public Assistance. Mrs. Simons represented the Social Security Board (now the Social Security Administration in the Federal Security Agency) as an observer at the meetings of the Temporary Social Commission of the United Nations, April 29-May 17.

¹ See the *Bulletin*, November 1944, pp. 9-12, and November 1945, pp. 10-14.

Concept of Modern Social Policy

The central core of the Commission's recommendations emerged in its early consideration of the meaning of "social policy under conditions of contemporary society." Because of the varying interpretation of "social policy," "social affairs," and "social welfare," the Commission decided that before it could carry out its assignment it must clarify and define the term "social." The Preparatory Commission of the United Nations had not attempted to limit the scope of this term, declaring only that it embraced "a wide variety of topics."

The Temporary Social Commission rejected the interpretation which associates the "social field" with charitable activities of the privileged classes, as old-fashioned and hurtful to human dignity and to a sense of democratic equality. In the words of the Chairman, "solidarity has been substituted for charity." Furthermore, it was felt that, whereas social work in the past tended to be limited to services for special groups of people, such as the young, the aged, and the disabled, the field must be broadened if effective social policy is to be developed. Dr. Kraus of Czechoslovakia made a vigorous appeal in behalf of a broad concept of social policy, declaring that the social field is no longer concerned only with the care of the "socially wounded"—with a kind of emergency aid to those already injured—but rather with the common needs of all—those in "the fighting lines and not yet wounded."

After intensive work, the Commission agreed to interpret the term "social" as encompassing the standard of living of the entire population, with emphasis on the organization of public administration, so as to assure to the whole population of a country goods and services necessary to meet common needs. As stated in the Commission's report, "The standard to be attained is the well-being of all members of the community." In support of this interpretation the Commission cited a statement in the American proposal for an International Social Welfare Organization which refers to "enabling individuals and families to lead personally satisfying and socially useful lives." Selected for special mention as essential goods and services were adequate housing,

food, clothing, education, health service, facilities for recreation, and "satisfactory working conditions based on freedom of association."

Content of the Social Field

The Commission's approach makes social services for groups with special needs supplementary to basic economic and social measures to raise the general standard of living. Accordingly, the Commission divided the subjects with which social policy is concerned into three main divisions: the standard of living; social services for special groups; and social policy for special regions, such as the war-ravaged countries and industrially underdeveloped countries. The subject matter covered in these divisions was outlined as follows:

- I. Standard of Living (Common Human Needs)
 - A. Components of the standard of living:
 - Housing
 - Food and nutrition
 - Clothing
 - Health and medical care
 - Education
 - Recreation
 - B. General aspects of the standard of living:
 - Income and cost of living (wages, earnings . . . family allowances, social security, unemployment insurance, social assistance, family budgets, home management, consumer protection)
 - Protection during work (working conditions, hours of work, employment of children and young persons, protection of women workers, protection of the health of workers, guarantee of right of organization and right to strike)
 - Family life (general conservation and protection, marriage, divorce, separation, maintenance, illegitimacy, adoption, guardianship, parent education, family guidance, and welfare)
 - C. Quantitative and qualitative measures of standard of living
- II. Social Services for Special Groups
 - A. Welfare of children and adolescents:
 - Maternity and child welfare
 - Youth guidance
 - Homeless children, foster care in private homes or in institutions
 - Protection against neglect and exploitation

Juvenile delinquency—prevention and treatment
Care of physically and mentally handicapped children

- B. Special problems of rural population
- C. Welfare of aged persons
- D. Care and rehabilitation of disabled and handicapped persons
- E. Prevention of crime and treatment of offenders
- F. Prevention of commercialized vice, rehabilitation of prostitutes
- G. Prevention of addiction to, and control of, dangerous drugs
- III. Social Policy for Special Regions
 - A. Underdeveloped areas:
 - Policies and services in underdeveloped areas
 - Social problems of dependent territories
 - B. Countries affected directly by war:
 - General relief and rehabilitation
 - Relief and protection of homeless or abandoned children, and other children especially affected by war
 - Care of refugees and displaced persons
 - Transfer and resettlement
 - C. Migration

Basic Principles

Interdependence of social and economic policy.—A statement made by President Roosevelt to the International Labor Conference in 1944 became a keynote of the discussions: "We have learned too well that social problems and economic problems are not separate watertight compartments in the international any more than in the national sphere. In international as in national affairs, economic policy can no longer be an end in itself; it is merely a means for achieving social objectives."

The members from the Latin-American countries pointed out that this interdependence is particularly marked in the nations that are industrially underdeveloped. The members from Peru and Colombia, Manuel Seoane and Gerardo Molina, declared in a joint memorandum that in the underdeveloped countries social problems of the type that had been the concern of the League of Nations in its work on social questions are symptoms of more deeply rooted problems. Illegitimacy, neglect of children and old people, and increase in delin-

quency can be reduced only as the basic problems of low wages, poor housing, and insufficient food and clothing are solved. Social services to prevent juvenile delinquency, for example, mean little as long as the earnings of wage earners are so low that they cannot give their families the necessities of life. Believing that "the great social problems of the less developed countries have their principal origin in their economic weakness" and that "peoples of scanty resources cannot achieve the total solution of their problems," these members called for international cooperation in a policy directed towards industrialization, introduction of a variety of production, and an increase in technical efficiency in production.

Dr. Ramiro Guerra of Cuba stressed the relationship of social problems in Latin America to the prices paid for their agricultural products and raw materials by the economically more highly developed countries, which can often fix prices unilaterally to the benefit of the buying nation. As an example of the direct effect on individual human beings of prices determined in international markets, he cited the wages of the workers in the Cuban sugar industry, which are determined on the basis of the price of sugar during the preceding 2 weeks, so that wages automatically rise and fall with the price of sugar. He also pointed out that, while the Cuban Government has planned a comprehensive national housing program, whether it can carry it out will depend on the quantity and price of exported products.

The Commission in its report defined economic policy as concerned with "the production of goods and services and their distribution to the best advantage of the community." It stressed the need for close coordination of economic with social policy—through the collective effort of the entire community—so as to secure a proper relationship between prices and incomes. This coordination is essential at the national level, the Commission pointed out, in order to improve the conditions of life for at least half the peoples of the world who now cannot achieve a decent standard of living. Only through such coordination can there be an equitable distribution of the national income

among all classes in the community.

Coordination of economic and social policy is also necessary at the international level to raise the level of living in countries with low standards because the wide differences in the living standards of different nations are a potent cause of "international discontent" and ultimately of war. In the words of the Prime Minister of the United Kingdom at the opening session of the General Assembly of the United Nations, "without social justice and security there is no real foundation for peace, for it is among the socially disinherited and those who have nothing to lose that the gangster and aggressor recruit their supporters."

While it was in session, the Temporary Social Commission got into contact with the Economic and Employment Commission—another of the nuclear commissions established by the Economic and Social Council. It was agreed that economic and social policy must be coordinated and that the two Commissions must work together closely so as to harmonize their suggestions to the Council.

Participation of beneficiaries.—To be democratic, social policy must have the approval of those affected by the policy. The Commission recommended that labor and agricultural and similar unions, as most representative of the beneficiaries of social programs, should participate in the administration of these programs. France, for example, since its liberation, has changed its social insurance legislation to give the trade-union representatives more control. As adopted by the Economic and Social Council, this concept of the Commission took the following form: "The activities of the United Nations in the social field shall be based upon democratic principles; these activities shall be conducted in the interest of all peoples concerned, and with the active participation of the organizations which unite groups of people concerned with such activities (trade unions of workers, agricultural societies, et cetera)." The Commission considered that voluntary agencies must accept these democratic principles if they are to make a valuable contribution in carrying out modern social policy.

Review of Existing Organizations

Having agreed on a definition of the term "social" and on basic principles, the Commission reviewed the work of existing or proposed international organizations that cover some aspects of the social field or whose work is closely related to it—the ILO, Food and Agriculture Organization, UNESCO, UNRRA, and the World Health Organization. Early in the session these organizations, except for the World Health Organization, which had not yet been established,² had been invited to send representatives to confer with the Commission and to submit written information on their programs.

Consideration of the activities of these organizations led the Commission to three main conclusions that became the basis of its recommendations: successful activity of the United Nations in the social field will require the continuous cooperation of these agencies, but they should be left freedom of action to carry on their own work; "the role of the United Nations is to coordinate and stimulate the activities of the specialized agencies, to avoid overlapping and omissions and to secure the participation of these agencies" in carrying out the social policy established by the Economic and Social Council and by the General Assembly; and the United Nations should carry on social activities that do not fall within the scope of any of the existing agencies.

Recommendation for a Permanent Social Commission

To implement these conclusions, the Temporary Commission recommended that a permanent Social Commission be established under the Economic and Social Council.

Composition.—After considerable discussion of the relative merits of appointing nongovernmental experts in their personal capacities or official representatives of governments, it was agreed to recommend that the Commission be composed of 18 members, selected for their expert knowledge in the field and appointed for a 3-year term—13 to be representatives of and appointed by the governments selected for membership on the Commission by the Council and 5 nongovernmental members appointed in their

² See pages 16 and 28.

personal capacity by the Council on the nomination of the governments chosen. As is noted below, this form of composition was not adopted by the Economic and Social Council.

Representatives of specialized agencies are to be asked to attend sessions of the Commission, and reciprocal representation is to be arranged with other commissions in the social and economic fields.

Functions.—The functions of the Social Commission were outlined as follows:

1. To advise the Council on the development of general social policy and on the formulation of social principles to serve as a frame of reference for the work of specialized agencies and commissions in the social field.

2. To aid in coordinating activities in the social field, including the maintenance of a current record of all activities of any of the agencies and in advising the Council concerning liaison relationships, cross-representation, and other means of coordination.

3. To keep the Council informed concerning the progress made by governments in the practical application of social policies.

4. To consider and advise on measures that may need to be undertaken by international agencies or suggested to governments.

These recommendations were adopted with a reservation by one of the eight members, the representative of the United Kingdom, that the functions were too extensive.

Provision for Social Welfare Activities

In addition, the Temporary Commission recommended that the permanent Social Commission should provide for carrying on social welfare activities not covered by any of the existing organizations. The subjects found to be the special province of social welfare include: measures for helping individuals and families when necessary, to use available resources to meet their needs; administration of social assistance; care, protection, and service for groups with special needs; and social services in countries with special needs, such as industrially underdeveloped countries and those directly affected by the war.

These activities, according to the Commission's recommendations, would include not only collection and distribution of information, research and field studies, and advisory service but also practical help. For example, it was suggested that a model service be set up on the care of retarded and delinquent children—an urgent problem at this time because of the experience of youth in resistance movements during the war and their participation in many acts which are normally considered criminal. Other aspects of the Commission's activities would include calling conferences on special subjects, developing principles or standards, and drafting conventions, seeing that they are negotiated, and keeping informed on their implementation.

The Temporary Commission did not come to a conclusion on how these activities could best be organized. It recommended that the permanent Social Commission give early consideration to whether these activities should be carried on by the Social Commission itself or by a social welfare subcommittee under the Social Commission or by a subsidiary organ established by the General Assembly. Although the Commission believed that there might be some justification for creating a specialized social welfare agency, as has been done in other fields, it concluded that there would be advantages of staff service and financial support in bringing the social welfare agency within the framework of the Economic and Social Council.

Subcommission on children.—The Commission recommended that a subcommission on children be set up to work under whatever social welfare body is established. It pointed out that child welfare involves many aspects, some of which existing organizations already cover—such as education, which is the concern of UNESCO, child labor and youth employment, which come under the ILO, and child health, which will be covered by the World Health Organization. For this reason the Commission stressed the importance of a broad approach to child welfare by an agency that views the subject as a whole, in cooperation with other intergovernmental organizations concerned with particular phases of the problem. The Commission accordingly suggested that the subcommission be composed of a small number of outstanding child welfare experts, both governmental and non-governmental, and of representatives of other international organizations.

Continuation of the League of Nations work.—In accordance with its assignment, the Temporary Commission reviewed the work of the League of Nations in the social field. The League at first had limited this phase of its work to developing measures—through investigation and draft conventions—to aid in suppressing traffic in women and children. A little later it set up an advisory committee on child welfare, which maintained a Child Welfare Information Center and published a series of reports on various problems, such as the treatment of juvenile delinquency and illegitimacy. This work was later extended to include the adult offender, activities in this field being carried on in cooperation with the International Penal and Penitentiary Commission. All these activities were carried on under the Advisory Committee on Social Questions.

The Temporary Commission decided that these activities of the League should be carried on by the United Nations but with a bolder and more constructive approach. Accordingly, it was suggested that the permanent Commission should make the necessary arrangements for undertaking the various phases of this work. The Secretariat was asked to see that the system of annual reports from governments is maintained uninterruptedly.

Activities of the International Penal and Penitentiary Commission

The Temporary Social Commission considered it important that there should be an effective medium for studying the prevention of crime and the treatment of offenders on a wide international basis. The International Penal and Penitentiary Commission, which has been in existence since 1872, has done valuable work on many aspects of these problems. The Temporary Commission, however, believed the United Nations should assume responsibility in this field. It therefore recommended that the permanent Social Commission be asked

to consult with the International Penal and Penitentiary Commission as a basis for recommending whether the latter should continue its work on the present lines in cooperation with an appropriate organ of the United Nations, or whether its functions should be taken over by an especially constituted body of the United Nations brought into direct relationship with the permanent Social Commission. It was thought that the second course would assure greater resources and the support of a larger number of countries.

Urgent problems requiring immediate attention.—The members from Greece and Yugoslavia kept before the Temporary Commission the acute social problems in countries that have suffered from war and occupation, especially the needs of homeless children, which are appallingly tragic in both countries. The Greek member, Mr. Argyropoulos, said in a memorandum: ". . . besides the great proportion of children and youths in teen age suffering from disease and undernourishment, there are thousands of them roving all around the country in complete destitution and without support" because "their parents or next of kin have been executed by the invader or have perished from starvation or disease."

The needs of children in the war-affected countries were likewise stressed by the UNRRA representatives in their discussion of the importance of continuing some of UNRRA's welfare activities after their termination late in 1946. Among urgent problems that the permanent Social Commission should provide for are the care of orphaned children, including questions of legal guardianship; reeducation of children who have been living under extremely abnormal conditions; readjustment of displaced persons into a normal life; rehabilitation of the physically handicapped; the rebuilding of social welfare institutions; and the training of social workers and exchange of staff. The Temporary Commission asked that the permanent Commission, when established, give priority to plans for dealing with these problems.

The Commission also considered the problems of the industrially underdeveloped countries urgent, because of the low level of living among

the peoples of these countries. The members from Peru and Colombia suggested that subcommissions be established to study the possibility of setting up international bodies to deal with the problems of clothing, inadequate diets, housing, and raising the level of wages by increasing the economic capacity of countries through greater industrialization and better prices on the world market for their exports. The permanent Commission was also asked to give prompt attention to these problems.

Scope of activities.—An important aspect of the Commission's report was the recommendation that activities to deal with social problems should not be limited to information, research, and advisory services but should include practical help, such as sending trained personnel to countries in need of such service, developing model institutions, and helping financially when necessary. For example, the Commission suggested that, as one way of helping underdeveloped countries until they can achieve a greater degree of industrialization, financial assistance should be made available to provide needed social services, and recommended that the International Bank for Reconstruction and Development make provision for loans and financial assistance for social services as well as for economic reconstruction.

Recommendation for Staff

The Temporary Commission placed great importance on its recommendation that the permanent Commission and its subcommissions should be adequately staffed. It suggested that a division of the Secretariat be established under the Assistant Secretary General for Social Affairs to provide staff service. The report called for sufficient staff, experienced in the various branches with which the permanent Commission will be concerned, for staff in the "social welfare field," and for a section for work in the children's field. The report further recommended that a close contact be maintained between the Secretariat's Department of Economic Affairs and Department of Social Affairs.

Action of the Economic and Social Council

The Temporary Commission presented its report and a draft resolu-

tion incorporating its recommendations to the Economic and Social Council at its second session, which convened May 25. After general discussion the draft resolution was referred to a drafting committee. Following a proposal made by the representative of the United Kingdom that the scope of the Commission's work be limited to matters in the social field not covered by other commissions or by specialized agencies, the drafting committee developed a compromise wording on this point, and the resolution was reworded and shortened.

Terms of Reference of Social Commission

On June 21 the Council adopted the revised draft resolution, establishing a permanent Social Commission, with the following terms of reference:

- (a) To advise the Council on social questions of a general character, and in particular on all matters in the social field not covered by specialized intergovernmental agencies;
- (b) To advise the Council on practical measures that may be needed in the social field;
- (c) To advise the Council on measures needed for the coordination of activities in the social field;
- (d) To advise the Council on such international agreements and conventions on any of these matters as may be required, and on their execution;
- (e) To report to the Council on the extent to which the recommendations of the United Nations in the field of social policy are being carried out.

Method of Appointment

The Council decided on the same method of appointment for all its commissions, including the Social Commission. Although there had been considerable support in the nuclear commissions for the Council's appointing individuals to the commissions in their personal capacities, the Council decided that all members of commissions should be designated by their governments. The Social Commission will therefore consist of an official representative from each of 18 nations selected by the Council. The Secretary General, however, is to consult with the selected governments

before the names of representatives are confirmed by the Council, in order to secure "a balanced representation in the various fields covered by the Commission."

Matters Referred for Further Consideration

The Council referred to the new Commission for early consideration and recommendation to the Council the following matters:

1. The suggestions of the Temporary Commission as to provision needed in the social welfare field.

2. Consideration of the best way of carrying on functions with reference to traffic in women and children, child welfare, the prevention of crime, and the treatment of offenders

on a broad international basis in close association with other social problems. The Social Commission was asked to take steps to create a subcommission, especially constituted for work in the child welfare field.

3. The observations of the Temporary Commission concerning social problems requiring immediate attention, especially problems in countries affected by the war or enemy occupation and in underdeveloped countries. It requested that the Social Commission give special attention "to the urgent need for finding some way of dealing with important aspects of the work of UNRRA" after its termination. The Social Commission was also asked to consider setting up international machinery in the fields of hous-

ing and of town and country planning.

The recommendations for an adequate staff for the Social Commission and its Committees were referred to the Secretary General.

Next Steps

Presumably the Council at its next session, which is scheduled to open in New York on September 11, will name the countries to be represented on the permanent Social Commission. The next steps can then be taken in setting up the Commission. As soon as it is established, the Social Commission will have to face complex and important problems, and its decisions will largely determine the effectiveness of international organization in the social field.

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priations authorized by the Social Security Act Amendments of 1946, approved August 10, bring the total amounts available for 1946-47 to \$11 million for maternal and child health, \$7.5 million for services for crippled children, and \$3.5 million for child welfare services.

Public Employment Offices Returned to States

Return of public employment offices to State control on November 15 was provided in the Labor-Federal Security Appropriation Act, 1947, which directed the Secretary of Labor to transfer to the appropriate agency in each State "the operation of State and local public employment office facilities and properties which were transferred by such State to the Federal Government in 1942 to promote the national war effort." Operation of special veterans' employment services under the Servicemen's Readjustment Act of 1944 and of the employment office facilities and services in the District of Columbia remain with the U. S. Employment Service, which is also responsible under the Wagner-Peyser Act for ensuring adequate and uniform operating standards of State and local employment offices. The present legislation ensures protection of the rights of employees transferred from Federal to State employment.

The current act appropriates \$43 million for administration, operation, and maintenance of the USES and for

the special veterans' employment services. Of this amount, \$11 million is specified for "liquidation of unrecorded and contingent obligations, including the payment of accrued annual leave, arising in connection with the transfer of employment office facilities and services to State operation." The sum of \$42.8 million is appropriated for grants to States, beginning November 16, in accordance with the provisions of the Wagner-Peyser Act (June 6, 1933) and the pertinent provisions of the Servicemen's Readjustment Act. The necessity for State matching of Federal funds under the Wagner-Peyser Act is, however, waived until July 1, 1948.

UN's International Refugee and World Health Organizations

In addition to setting up a permanent Social Commission (see page 11) and establishing five other main commissions and four subcommissions to carry on its work in the economic and social fields, the Economic and Social Council of the United Nations set up two other international organizations during its second session, held in New York from May 25 to June 21.

New International Refugee Organization.—To meet the urgent problem of providing care to the displaced persons and refugees of Europe and China when UNRRA's program is discontinued, the Council had established a Special Committee on Refu-

gees and Displaced Persons in February 1946. The committee convened in London during April and prepared suggestions for a draft constitution of a new International Refugee Organization. This report was reviewed and amended by the Economic and Social Council at its New York meeting.

In essence, the Council proposes for consideration by the member governments of the United Nations an international operating agency, temporary in character, to provide care through repatriation or resettlement to "genuine refugees and displaced persons" and to assure assistance to these people pending their repatriation or resettlement. Membership in the new international organization is open to all UN members, and also to other "peace loving States" upon recommendation of the Executive Committee by two-thirds majority vote of the General Council.

Since operating funds for the new organization are a major concern, the Council established a Committee on Finance, which met in London in July and prepared provisional administrative and operating budgets for the first financial year, with a proposed scale of contributions from the member nations.

Member governments of the United Nations are now reviewing both the draft constitution and the report of the Finance Committee. Their comments will be reviewed at the next

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International Action Toward Social Security for Seamen

By Ida C. Merriam*

Possibly the first formal action of the United States in the field of social security was a system of health insurance for seamen established in 1798. In June 1946, at the maritime session of the International Labor Conference in Seattle, representatives of this country worked with delegates from more than 30 other governments that are members of the International Labor Office to draw up conventions and recommendations which foreshadow great eventual gains in the security and welfare of seamen the world over.

IN THE TWO conventions and the two recommendations relating to social security for seafarers which were adopted by the maritime session of the International Labor Conference which met in Seattle during June 1946, the broad outlines of a program of social security protection for seamen throughout the world are traced for the first time in official international instruments. The two conventions, even if they are implemented by all the major maritime countries, will assure the carrying out of only a part of that program. For seamen employed on ships flying the flag of their country of residence, the social insurance protections guaranteed by the conventions are substantial and reasonably adequate. For nonresident seamen, the guarantees are very limited, though they go beyond those available today to nonresident seamen employed on the ships of a number of countries. The Conference recognized the importance of more adequate social security protection for nonresident seamen, but decided that at this time the most that could be accomplished was to point the way toward further international

agreement and cooperation through the adoption of a recommendation to member governments.

Background of the Seattle Conference

Because of the international character of the shipping industry, the severity of competition, and the consequent importance of establishing international labor standards for the industry, the International Labor Organization has from its inception given special attention to maritime labor problems. Maritime matters are always considered by a special maritime session of the Conference. The first such session was held in 1920; the meeting just closed was the twenty-eighth session of the Conference and the sixth maritime session. A Joint Maritime Commission, which consists of representatives of shipowners and of seamen, and was established by the Governing Body of the International Labor Organization in 1920, meets between maritime sessions of the Conference to discuss and make recommendations with regard to any maritime labor problem referred to it by the Office or suggested for discussion by the members of the Commission.

Previous maritime sessions of the International Labor Conference have adopted 13 conventions, relating to such matters as the minimum age of employment, placement facilities, seamen's articles of agreement, officers' competency certificates, repatriation, shipowners' liability, holidays with pay, sickness insurance, and hours of work and manning. The conventions relating to the last three subjects are not yet in force, since they have thus far failed to receive the minimum

number of ratifications necessary to bring them into effect. All three of these conventions were adopted by the two maritime sessions of the Conference held in October 1936. Undoubtedly, the economic depression and the war interfered with the process of ratification in several countries.

It is of interest that the United States has ratified five International Labor conventions, all of them maritime conventions. Two of the five are among the conventions adopted in 1936 and not yet in force—the holidays with pay and the hours of work and manning conventions. The others, also adopted by the 1936 Conference, relate to officers' competency certificates, minimum age at sea, and shipowners' liability for sick and injured seamen.

There were no maritime sessions of the International Labor Conference between October 1936 and the meeting in Seattle in June 1946. Repeatedly during the war, however, the Governing Body of the ILO indicated its awareness of the urgency of planning for improved conditions for maritime workers immediately after the war was over. The Joint Maritime Commission met in 1942 and requested the ILO to submit to its next meeting a statement on the conditions of service of seamen in the principal maritime nations, and to consider the possibility of preparing an International Maritime Charter setting out guiding principles for social legislation for seamen throughout the world.

Before the ILO could act on the latter suggestion, the seamen themselves, through the Seamen's Section of the International Transport Workers' Federation and the International Mercantile Marine Officers' Association, presented their demands for improved conditions in the form of an International Seafarers' Charter.¹ The Charter was adopted by the seamen's representatives of 12 maritime countries at a conference held in London in July 1944. It set forth first the general basis for the seamen's demands:

The officers and men of the merchant navy hereby affirm that pro-

*Bureau of Research and Statistics, Division of Coordination Studies. Mrs. Merriam was one of the advisers to the United States Government delegates to the Conference. Wilbur J. Cohen, Assistant Director of the Bureau of Research and Statistics, also served as adviser and was the United States Government member of the Social Security Committee for the first part of the Conference. Mrs. Merriam was a substitute member of the Committee and acting member during the latter part of the Conference.

Throughout the article the terms seafarers and seamen have been used as synonymous and as including officer ratings.

¹ International Transport Workers' Federation, *Proposals for an International Seafarers' Charter Adopted by the International Transport Workers' Federation and the International Mercantile Marine Officers' Association*. London, August 1944.

found changes are needed in the conditions under which they carry out their occupation, if the merchant navy is to rank as an industry providing a decent livelihood to those dependent on it.

... the international character of the shipping industry makes it imperative to seek the widest possible uniformity in the working conditions of the seafarers, as otherwise the standards of the most advanced countries will always be endangered by those of the countries lagging behind. During the present war it has proved possible to bring about a greater measure of uniformity than ever before in both the basic wage rates and other conditions of the seafarers of the United Nations. This creates an unprecedented opportunity for winning all the maritime nations for the acceptance of international minimum standards ...

The seafarers' trade union organisations, carrying out the will of their memberships, have made a full contribution in the struggle against fascism and national socialism and have placed their services unreservedly at the disposal of the war effort, but they feel that when the period of relief and rehabilitation comes, it will be the time also for meeting the seafarers' justified claims for decent conditions as set forth in this Seamen's Charter, which in their opinion contains nothing that can be considered exaggerated and impossible of achievement in an efficiently operated industry.

There followed detailed demands with regard to wages, hours, accommodation, social security, and other matters. Finally the document called upon the ILO to arrange the necessary consultations between management, labor, and governments to bring into effect international agreements for carrying out the terms of the Charter.

This request became the major item on the agenda of the Joint Maritime Commission when it met in January of 1945. The Commission recommended that a tripartite preparatory technical conference of maritime countries be held in the fall of that year to prepare draft conventions on the various subjects included in the Seafarers' Charter, for presentation to a special maritime session of the International Labor Conference to be convened as soon thereafter as possible. There were three subjects on which the Commission had some question as to whether international minimum standards could be formulated in time for consideration by the preparatory conference or for action

by a maritime session to be held in 1946. These were continuous employment; entry, training, and promotion; and social insurance. Consequently arrangements were made to have these subjects studied in advance by special technical committees. The Special Committee on Social Insurance, with four shipowners' and four seafarers' representatives appointed by the Joint Maritime Commission and seven experts appointed respectively by the governments of the United States,² Australia, Belgium, France, the United Kingdom, the Netherlands, and Norway, met in London in July 1945. This committee made sufficient progress in formulating areas of agreement to lead the ILO to place the subject of social security for seafarers on the agenda for the preparatory conference.

The Maritime Preparatory Technical Conference met in Copenhagen in November 1945. As a result of its work, agreements were reached on the substance of a number of draft conventions and recommendations to be placed on the agenda of the full Conference for action. These agreements were prepared by the ILO in the form of draft texts and in this form became the basis for the work of the Seattle Conference.

Organization of the Seattle Conference

Thirty-two member nations sent delegations to the Seattle Conference. Twenty-three were complete delegations—that is, they included one worker, one employer, and two government delegates. The other countries sent government delegates only or, in two cases, one government and one worker delegate. Under the ILO Constitution, a worker delegate cannot vote if there is no employer delegate from his country, and vice versa. Government members of incomplete delegations are, however, entitled to vote. All the major maritime nations were represented by complete delegations.

The United States Government delegates were Secretary of Labor Schwellenbach and Congressman Henry Jackson of Washington, a

member of the House Merchant Marine and Fisheries Committee. Congressman Richard Welch of California, also a member of the House Merchant Marine and Fisheries Committee, was a substitute delegate and adviser. The United States Government delegation included 15 advisers from the several interested Government departments. The United States employer delegate was Maitland Pennington, Vice President of the National Federation of American Shipping. The United States worker delegate, Harry Lundberg, President of the Seafarers International Union of North America, was detained in San Francisco throughout June and sent as his substitute the vice president of his union, Morris Weisberger. The advisers to the workers' delegate were selected in about equal number from seamen's unions affiliated respectively with the American Federation of Labor and with the Congress of Industrial Organizations.

Congressman Jackson was elected President of the Conference, which formally opened on June 6 and closed on June 29. The several subject items on the agenda were referred to working committees, which considered in detail the draft conventions and recommendations prepared by the ILO on the basis of the agreements reached at the Copenhagen preparatory conference. The committees, like the Conference, are organized on a tripartite basis. In committee, however, the worker and the employer votes have equal weight with the government votes. When there are more government than employer or worker members on a committee, the votes of the latter two groups are appropriately weighted to give this result. All decisions in committee are made by a majority vote. The draft texts which the committees recommend to the Conference for adoption may also be amended in plenary session by a majority vote, but an affirmative vote by two-thirds of those present and voting is required for the final adoption of a convention or recommendation by the Conference.

Scope of Agreements Reached by the Conference

The Maritime Conference of 1946 adopted nine conventions and four recommendations, covering broadly

² The United States Government member was I. S. Falk, Director of the Bureau of Research and Statistics, Social Security Board (now the Social Security Administration in the Federal Security Agency).

all major aspects of the conditions of employment and the standard of living of seamen. Both the total number of conventions and the scope of the subjects to which they relate make the session a notable one. This accomplishment was not achieved easily or without controversy. None of the conventions meets in full the demands of the seamen as set forth in the International Seafarers' Charter. None would guarantee conditions equal to or even approaching the most favorable which some seamen now enjoy. Every convention, if widely adopted, would result in substantial improvements in conditions for many of the world's seamen and in specific improvements for seamen even in countries with the most advanced conditions.

Wages and hours.—Perhaps the most important, and certainly the most controversial, of the actions taken by the Conference was the adoption of the Wages, Hours, and Manning Convention. This convention, if it is ratified by the number of countries necessary to bring it into force, will establish, for the first time, an international minimum wage for an industry. The wage agreed upon—\$16 or \$64 a month for an able-bodied seaman—is in itself substantially below the \$162.50 a month which able-bodied seamen on American vessels now earn. It is much closer to the £20-a-month figure around which collective bargaining discussions in Great Britain and in a number of North European countries are currently centering. It is well above the wages paid to seamen in many parts of the world. If the minimum can be effectively enforced, it will mean for a large proportion of the world's seamen a floor of protection which may stand them in good stead if economic conditions or national trade rivalries result in increasingly severe competition for available world trade.

For purposes of the convention, the par value of the currency of members which are also members of the International Monetary Fund will be that currently in effect under the Articles of Agreement of the Fund. The members of the Conference were well aware of the problems which fluctuating currencies could create with respect to an international minimum wage. It was recognized that an untenable position

might result if in any country seamen's wages were forced far out of line with those of shore workers because seamen's wages alone were tied to an international monetary standard. Clearly, therefore, what the seaman may gain from this convention depends in large measure on the stability or instability of economic conditions throughout the world.

One of the controversial issues which came up in connection with almost every convention related to the treatment of Asiatic seamen. So far as wages are concerned, the compromise solution finally reached by the Conference permits the payment of an adjusted equivalent of the minimum wage in the case of ships which employ groups of seamen who are usually hired in larger numbers than would normally be employed. It is now customary for European shipowners to employ more Indian or Chinese seamen per vessel than they would hire if the vessels were manned by Europeans, and to pay the Indian or Chinese seamen lower wages. The convention places some limit on the cutting of wages, by requiring that the total wage bill be the same (or approximately the same) no matter how the vessel is manned.

The convention also sets standards for hours of work, with provision for overtime pay or compensatory time off in port for any time worked beyond 8 hours a day and 48 hours a week by seamen (except those in the steward's department) on distant-trade ships, or beyond 24 hours in a 2-day period or 112 in a 2-week period for seamen on near-trade ships.

Conditions on board ship.—The Accommodation of Crews Convention, 1946, lays down detailed standards and specifications—in some important respects considerably below those in the more advanced countries—as to living space for the crew, lighting, ventilation, sanitary arrangements, hospital equipment, and similar matters affecting the life of the seamen on board ship. The Food and Catering (Ships Crews) Convention, 1946, provides for a central authority to supervise the standard of food supplies, catering, and cooking on board ship. The Certification of Ships Cooks Convention, 1946, stipulates that no one may be employed as a cook unless he holds a certificate of

qualification issued by a competent authority.

Qualifications of seamen.—Provision for certification of able-bodied seamen on the basis of minimum specified qualifications is called for by the Certification of Able Seamen Convention, 1946. Preemployment medical examinations to determine fitness for work, particularly as to hearing and sight of persons employed in the deck department, is required by the Medical Examination (Seafarers) Convention, 1946. A Vocational Training (Seafarers) Recommendation suggests certain principles which should be followed by member governments in the organization of training for sea service.

Paid vacations.—The importance to the seaman of a paid vacation of sufficient length to enable him to see his family and to rest from sea service received recognition in the adoption of the Paid Vacations (Seafarers) Convention, 1946. This convention would guarantee an annual paid vacation, after 12 months of continuous service, of not less than 18 days for masters, officers, and radio officers or operators and not less than 12 days for other members of the crew. A person with 6 but less than 12 months of service who leaves maritime employment, or a person discharged through no fault of his own before completing 6 months' service, is entitled to a proportionately reduced amount of paid leave.

Social security.—The Social Security (Seafarers) Convention, 1946, calls for the provision of social security protection to seamen in the event of sickness, disability, unemployment, old age, and death, which is at least as favorable as that extended to shore workers, and for specified protections whether or not similar rights are available to other workers. The Seafarers Pensions Convention, 1946, obligates ratifying countries to provide for seamen who retire from sea service old-age pensions of specified amounts at age 55 or age 60, or pensions costing at least 10 percent of the wages on which contributions are paid. These conventions and the two recommendations relating to social security are discussed in some detail below.

Resolutions.—The Conference adopted a number of resolutions

which, while they have no binding force, may point the way toward future action.

One resolution affirmed the right of shipowners and seamen to form voluntary, self-governing associations; emphasized the need for collective bargaining; and urged governments to consult representative organizations of seamen and shipowners in the formulation and administration of national laws and regulations affecting seamen and the shipping industry.

Another resolution called on member states to consider the desirability of instituting continuous employment schemes for seamen and expressed the hope that at an early date another maritime session of the Conference would again consider the question and attempt to formulate a convention on the subject.

The Conference adopted resolutions requesting the ILO to look into the question of seamen's welfare in ports and methods of promoting it through international cooperation; and to make the necessary studies looking toward the development of international minimum standards for fishermen. It also adopted, against the opposition of the employers' group, a resolution calling on the ILO to consider the desirability of establishing the Joint Maritime Commission on a tripartite instead of the present bipartite basis. The employers thought that government participation in the work of the Commission would lessen its effectiveness.

There was also adopted a resolution submitted by the workers urging on all member governments prompt ratification of the conventions adopted by the Conference, as "the most eloquent tribute" possible to "the many sacrifices made by seafarers and the great devotion with which they performed their duties during the war," as well as proof of the sincerity of the pledges which were made to seafarers by many governments during the war.

Ratification Provisions of Conventions Adopted by the Conference

The problem of obtaining prompt ratification and effective enforcement of the conventions adopted by the Conference ran through all the discussions and influenced many of

the decisions made in committee and in plenary session.

A convention which has been adopted by an International Labor Conference has no force, other than the moral and educational force of an agreed standard, until it has been ratified by two or more countries. When it is ratified by the requisite number of countries, a convention becomes an international treaty and has the binding force of such a treaty. Each member agrees to submit annual reports to the ILO "on the measures which it has taken to give effect to the provisions of conventions to which it is a party." These reports are reviewed by a Committee of Experts and by a special tripartite committee of the International Labor Conference. The Constitution of the ILO also provides for complaints to the Governing Body by associations of employers and of workers that a member is not living up to the terms of a convention which it has ratified. There is also more formal procedure for referral to a Commission of Enquiry, and subsequently to the Permanent Court of International Justice, of complaints on the part of one member that another member is failing to live up to the international treaty obligations it assumed by ratification of an International Labor Convention. This enforcement machinery has never been invoked. The Seafarers' Charter had suggested the imposition of specific sanctions, in the form of higher harbor dues and the withholding of fuel supplies, on shipowners who refuse to accept or enforce the provisions of an international agreement. The question of enforcement of the terms of international agreements was not specifically discussed at Seattle. The problem is one which in a general form is now more appropriately the responsibility of the United Nations.

The question of the number of ratifications required to bring a convention into force did, however, receive major attention at the Seattle meetings. Most ILO conventions require ratification by only two countries to bring them into effect. The governments of many of the important maritime countries were unwilling to commit themselves to adopting the minimum wage, for instance, or other conditions of employment, unless

their main competitors undertook the same commitments. Consequently, the conventions on wages and hours, paid vacations, food and catering, and certification of ships' cooks require to bring them into force the ratification of 9 countries, out of a designated list of maritime countries, including 5 countries each of which has at least a million gross tons of shipping. At the present time, according to the figures of the United States Maritime Commission, only 7 countries have a million or more gross tons of shipping: the United States, the United Kingdom, Canada, Norway, the Netherlands, France, and Sweden. The wages and hours convention requires in addition that the ratifying countries have an aggregate tonnage of not less than 15 million tons. This provision means that either the United Kingdom or the United States will have to ratify before the convention can come into force.

The conventions on crew accommodations, social security, and medical examination of seafarers will come into effect upon ratification by seven maritime countries, four of which have a million or more gross tons of shipping. The Seafarers' Pensions Convention requires ratification by five maritime countries, three of which have at least a million tons, and the Convention on Certification of Able Seamen requires ratification by only two member nations.

An attempt was made by the workers' group in the Social Security Committee to reduce the number of countries required to bring into force the general social security convention. The United States Government members supported this move. It was urged that the obligations undertaken by member governments ratifying that convention were of a sufficiently general character as not to raise the same kind of problem with regard to competitive position as did the wages and hours convention. The move was defeated, however, primarily on the grounds of the desirability of uniform ratification provisions in all the conventions. The majority vote in committee was for the requirement of nine countries, five of which had a million tons; the substitution of seven and four occurred as a result of a vote in plenary session. The more liberal ratification provisions in the Sea-

farers Pensions Convention reflects the knowledge on the part of the workers' group that it will be far more difficult to obtain ratification of this convention. It succeeded of adoption in the committee primarily because several of the major maritime countries, which had made clear their intention not to ratify the convention, abstained from voting on its provisions.

Implementation by collective bargaining.—A number of the conventions adopted at Seattle contain a new kind of provision with regard to the implementation of the obligations assumed by a member which ratifies them. Except insofar as the treaty was self-implementing—that is, the treaty itself effectively modified the laws of the land—it has hitherto been understood that the ratifying member would implement its treaty obligations by means of the appropriate national laws and regulations.³ The conventions adopted at Seattle all provide, as do most similar documents, that the convention will remain in force for 10 years from the date on which it comes into force for a member, and if within a year of that time the member has not denounced the convention, it shall be bound by its provisions for another 10 years. Implementation of the terms of a convention over a period of years is thus required.

Serious questions as to the force and meaning of international undertakings were therefore raised by the proposal, first formally considered and acted upon at the Seattle Conference, that effect might be given to at least some provisions of conventions through collective agreements between the workers and employers concerned. The proposal was put forward to meet two difficulties. There is strong opposition in Great Britain—on the part of employers, workers, and the Government—to having wages, even minimum wages, fixed by legislation. Neither the seamen in Great Britain nor the shipowners were willing to have their traditional control over wages and employment condi-

tions through collective bargaining jeopardized by national legislation setting a minimum wage for seamen. In the second place it was argued that several important maritime countries might be very reluctant to enact national legislation fixing a minimum wage for seamen in terms of an international monetary standard until it became clear that there was reasonable expectation of stable currency and trade conditions in the world. The seamen in these countries would, however, probably obtain through collective bargaining wages at or above the minimum specified in the convention. In the interests of prompt and widespread ratification, it was therefore proposed that a country be permitted to give effect to a convention either through national laws or through collective bargaining.

Against this proposal there was urged the fact that collective bargaining agreements can be changed or abrogated much more easily than can national laws, and that other countries could not place the same reliance on the ratification of a convention by a country which intended to implement it by collective bargaining agreements.

The provisions finally agreed to by the Conference contain a number of safeguards not explicitly included in the original proposal. Collective agreements which give effect to any provisions of a convention, or a combination of national laws and regulations and collective agreements, must cover all seamen to whom the provision in question applies. Each member nation is required to supply to the Director of the ILO the details of any such collective agreements. It also agrees to participate, by means of a tripartite delegation, in any committee which the ILO may set up to examine the measures taken to give effect to the convention. And it agrees to consider and to bring to the attention of the appropriate organizations of seamen and shipowners any observations or suggestions which such a committee may make as to the degree to which the collective agreements give full effect to the provisions of the convention.

With regard to social security measures, it was agreed that, in general, effect could be given to the provisions of the two conventions only through

legislation. However, in deference to the British position with regard to wage legislation, the general social security convention contains one provision which may be implemented through collective bargaining. That is the guarantee that seamen left ill abroad will receive payment for a specified period of an allowance equal to 100 percent of wages.

Social Security for Seamen

To the seamen who were represented at the Seattle Conference, adequate social security protection for themselves and their families was one of the major goals to be sought through international action. In discussions of the relative position of seamen in different countries, it was frequently urged that the scope of social security protection afforded the seamen must be considered along with the level of wages paid.

In a number of countries, notably France and Belgium, seamen have for many years enjoyed, under special social insurance and pension systems, favorable treatment as compared with industrial workers generally. In other countries, seamen are covered for most risks under the general social insurance system. Because of the peculiar conditions of maritime employment, the shipowner has, for many centuries, carried special liabilities for the seaman's welfare.⁴ Under the laws of all the major maritime countries, the shipowner is responsible for providing medical care to the seaman who is injured or falls ill on board or in the service of the ship, and where adequate care is not possible on board, for landing him in the nearest port and there obtaining care for him and for providing maintenance until he can be repatriated. The shipowner is also liable for payment of wages to the sick seaman while on board ship and, in several countries, for a specified period after he is put ashore. In most countries, also, the shipowner is responsible for repatriating a seaman left ill abroad, to his home port or to

³In the case of a federal state with limited power to act on labor matters, the Constitution of the ILO provides that the only obligation the government need undertake with respect to a convention relating to such matters is to call it to the attention of the constituent units which are competent to act.

⁴Many of the principles and rules of modern admiralty law in the United States and other countries can be traced back to the code, known as the *Laws of Oleron*, which was promulgated in the thirteenth century by Eleanor, Duchess of Guenue, to regulate commerce and trade in the Mediterranean. See *U. S. Code, Annotated*, Title 46, p. 215.

the port from which he sailed. The ancient right of the seaman to sue a shipowner for damages as a result of injuries sustained in the service of the ship has in most countries been superseded or supplemented by workmen's compensation legislation. Such legislation ordinarily establishes a fixed schedule of compensation for disability or death and makes it unnecessary for the worker to prove negligence on the part of the employer; it may still be necessary, however, for the worker to resort to court action to obtain benefits. In several countries, workmen's compensation for seamen (and for other workers) has been, or is about to be, replaced by publicly administered employment injury insurance.

Nevertheless, many seamen throughout the world today have little or no social security protection other than that of limited shipowners' liability and workmen's compensation rights. The lack of protection and gaps in protection arise partly from the fact that many seamen come from countries which have not yet established social insurance systems for any of their people—India, China, all of Indonesia, Africa, and parts of Central America. It arises also from the fact that many of the major maritime countries discriminate as between nationals and nonnationals or residents and nonresidents in their social insurance laws or their special seamen's systems, and in some cases in their shipowners' liability and workmen's compensation laws. The problem concerns not only the 50,000 or more Indian seamen who sail on ships registered in Great Britain, or the 30,000 Chinese who sail on ships of countries other than China. It concerns also the smaller, but in the aggregate significant, numbers of Norwegians, Irish, Greeks, and nationals of other countries who sail now on ships registered in one territory, now on those of another.

Development of Social Security Proposals Considered at Seattle

The International Seafarers' Charter.—The social security program envisaged by the seamen in the International Seafarers' Charter called for comprehensive protection for seamen in case of illness, incapacity, death, old age, and unemployment, with spe-

cial provisions for shipwrecked seamen and for merchant seamen detained as prisoners of war. "Although the seafarers are in favour of the widest possible statutory scheme of social services applicable to the whole of the population, they wish to observe that the special character of the shipping industry calls for special provisions. The question arises whether it would not be desirable to treat shipping as a more or less distinctive sector within the framework of a comprehensive scheme of social insurance."

The Charter specified in some detail the minimum amounts of benefits which should be payable in various circumstances. The benefit proposals were noteworthy in two major respects. The rates of several types of benefit were substantially higher in relation to wages and the retirement age was lower than those customary in systems for shore workers. International uniformity of benefit rates—as a proportion of wages—and of benefit conditions, and equality of treatment for nonresident seamen were postulated:

It is very important that seafarers shall come under the same regulations regardless of the flag of the ship. Such equality would entail another great advantage: it would make it possible to conclude reciprocity agreements between countries with a view either to including one another's subjects in the social insurance scheme of the country employing them, or to transferring premiums in respect of them so that they may continue to belong to the social insurance scheme of their own country.

Special Committee on Seafarers' Insurance.—Using and elaborating on the provisions of the Charter, the ILO developed a Model Scheme of social security for seafarers, which formed the basis for the discussions of the Special Committee on Seafarers' Insurance which met in London in July of 1945.⁵ The Model Scheme, as interpreted in the course of these discussions, provided that seamen should be covered under the general social insurance system of their country of residence for those risks not specifically connected with their occupation. But it also provided that each

maritime country set up a special system for seamen, along identical lines and with uniform benefit rates. This special system would take over the shipowners' liability and would, further, provide compensation for all illness, incapacity, and death arising while the seaman was under articles of agreement. It would also pay special retirement pensions at age 55. If there were no general system of insurance, the special system would provide unemployment and old-age benefits and benefits in case of death or sickness not arising from employment. The special system would collect all contributions due on seamen's wages, making appropriate transfers to the general social insurance system—where one existed—to preserve the workers' rights under that system. Nonresidents would pay to the special scheme of the ship's country the same total contribution as would resident seamen, unless special arrangements were made for them to pay at the rate prevailing in their own country for those risks covered by general systems. For risks covered exclusively by the special scheme—that is, illness, incapacity, or death occurring during agreement—there would be complete and automatic equality of treatment for the resident and the nonresident seaman. For the other risks, nonresidents would be given protection under the system of their own country through reciprocal agreements for transfer of the appropriate share of contributions.

The Model Scheme thus was based on a completely international approach toward social security protection for seamen. Its implementation would still depend, of course, on concurrent action by all, or at least all the major, maritime countries of the world. The special technical committee which met in London, while indicating sympathy for the objectives of the Model Scheme, agreed that it was too rigid and inflexible to give much promise of widespread adoption. Moreover, the costs of the scheme—estimated for the United States at 50 percent or more of pay roll—were not to be lightly undertaken. The United States Government expert pointed out that unless all countries adopted the Model Scheme, it would result in inequities and gaps in the protection of seamen more serious than now exist,

⁵ International Labor Office, *Social Security for Seafarers* (Studies and Reports Series M (Social Insurance), No. 19) 1945, pp. 62-80.

since for the nonemployment risks, a seaman outside his country of residence would be subject to heavy contributions but would have no protection unless there was a scheme in his own country to which his contributions could be transferred.⁶

As an alternative, the United States Government and shipowners' experts suggested that it is both more practical and more desirable to achieve social security for seamen through the national approach—encouraging the development of comprehensive social security protection for seamen in all countries as rapidly as possible, but respecting the essential characteristics of existing national programs in the different countries—and to provide supplementary protection on an international basis through reciprocal agreements. Specifically, they proposed that each country commit itself to equality of treatment for resident and nonresident seamen under its social insurance laws and to payment of benefits to qualified persons living outside the country. They suggested that nations might enter into agreements to act as agents for one another in taking claims and paying benefits, particularly for the short-term risks. They further proposed that lifetime continuity of protection for the long-term risks be assured through application to seafarers of the main provisions of the Maintenance of Migrants' Pension Rights Convention, 1935. This convention provides, in effect, for combining the wage or contribution credits for old-age, invalidity, and death benefits, of workers who have been employed during the course of their life in more than one country.

While there was no general agreement among the experts at the London meeting as to the scope and level of benefits which should be available to seamen, or as to the treatment of nonresidents, there was considerable support for some international action to encourage more adequate social security for seamen. Consequently, the ILO determined to present to the Maritime Preparatory Technical Conference which met in Copenhagen in November 1945 a suggested set of provisions which might form the basis for a draft convention.

⁶ See International Labor Office, *Social Security for Seafarers* (Report VI, Maritime Preparatory Technical Conference), 1945.

Action of the Copenhagen Preparatory Conference.—The provisions submitted by the ILO⁷ to the Copenhagen Conference set forth first the general principle that seamen and their dependents in any country should be entitled to benefits "at least equivalent to those to which industrial workers and their dependents are entitled in respect of the same contingencies." It thus accepted the national approach to social security for seamen. The Conference amplified and amended this principle by listing the contingencies with respect to which benefits should be payable and by specifying that for certain of them seamen should have protection whether or not similar protection was available to industrial workers generally.

The Office draft also called for special benefits for seafarers in two contingencies. With regard to the first—medical care, maintenance, and wages for a seaman left ashore outside his country of residence by reason of sickness or injury—there was much discussion at the Conference as to the detailed provisions, but general agreement as to the need for such special protection.

No such agreement obtained with respect to the second proposal—for payment of special pensions on retirement from sea service, at age 55 or 60 or at an age at least 5 years lower than the normal retirement age for industrial workers. Difference of opinion as to the need for special pension systems for seamen had been evident at the London meeting of experts and arose again at Copenhagen. A number of European countries already have, and wish to continue, special pension funds for seamen. For the United States, on the other hand, the general consensus of workers and shipowners and of the Government representatives at London and Copenhagen was that in this country it is preferable for the seamen to be covered under the general old-age and survivors insurance system. The seamen thus achieve maximum continuity of protection at a cost which reflects wide spreading of risk and maximum economy of operation. In the

United Kingdom, also, seamen are covered under the general social insurance system. There appeared little likelihood that either the United States or the United Kingdom would ratify a convention which included a mandatory provision for special pensions. At the same time, the seamen and the governments of a number of the countries which now have such systems were not satisfied with a permissive provision but wished to have a binding international instrument which other countries could ratify. The compromise decided on by the Copenhagen Conference was to withdraw the pension proposals from the more general social security convention and to embody them in a separate draft convention.

The ILO text which was under discussion at Copenhagen also provided for equality of treatment of resident and nonresident seafarers in most contingencies. A number of practical difficulties were advanced, however, and the Copenhagen Conference finally determined to call for equality of treatment only with respect to shipowners' liability, and on a reciprocal basis with respect to workers' compensation or employment injury insurance. The Conference also agreed on a draft recommendation urging members to enter into reciprocal agreements extending protection to nonresidents. This whole issue was raised again at Seattle and is discussed in more detail below.

Actions on Social Security at the Seattle Conference

The Social Security Committee of the Seattle Conference included 16 government, 8 employer, and 8 worker members.⁸ The committee considered

⁷ The governments represented were: Australia, Belgium, Canada, China, Denmark, France, Greece, India, Ireland, the Netherlands, Norway, Poland, Portugal, Sweden, the United Kingdom, and the United States of America. In addition, 5 governments which had requested representation on the committee but were refused because additional representatives of employers and workers were not available for assignment to the committee were named as substitute members: Cuba, Dominican Republic, Egypt, Mexico, and Turkey. The employer members of the committee came from the following countries: Belgium, China, France, India, Ireland, Norway, the United Kingdom, and the United States. The worker members were from Belgium, Cuba, France, India.

first the more general of the two draft conventions which had been prepared by the ILO on the basis of the decisions reached at Copenhagen.

The draft convention had two main substantive articles.⁹ The first guaranteed to seamen and their dependents who are residents of and present in the territory of the ship on which the seaman is employed the following protections: medical care for the seaman and his dependents and cash benefits, in respect of incapacity for work, unemployment, old age, and death, not less favorable than those to which industrial workers in that country are entitled; and insofar as industrial workers and their dependents are not entitled to medical care or to cash benefits in case of incapacity and death, seamen should nevertheless be guaranteed these protections for themselves and their families.

The second major article provided certain substantive guarantees to seamen resident in the territory of the vessel on which they sail who are left behind in another territory by reason of sickness or injury arising during employment. These included (1) medical care, maintenance, and repatriation, and (2) an allowance equal to 100 percent of wages until the seaman is able to obtain suitable employment, or is repatriated, or until the end of a period of not less than 12 weeks, whichever first occurs. Further, if the seaman has not been able to find suitable employment or been repatriated by the end of the period during which this allowance is payable, he or his dependents must then become entitled to any unemployment, sickness, or workmen's compensation benefits to which he would be entitled were he present in his country of residence.

The committee had relatively little difficulty reaching agreement upon the scope and substance of the protections to be included in the convention.

the Netherlands, Norway, the United Kingdom, and the United States. The United States employer member of the committee was C. E. Shaw, of the Standard Oil Company of New Jersey, and the United States worker member was Seth Levine, of the CIO Maritime Committee.

⁹ International Labor Office, *Social Security for Seafarers* (Report II, 28th Session, International Labor Conference), 1948.

A motion by the employer members to limit the benefits guaranteed seamen and their dependents to those which are available to industrial workers in the country in question was defeated. However several members of the committee pointed out that countries like India would have great difficulty in providing medical care for the dependents of seamen in the absence of medical care provisions for workers and their dependents generally. Special medical care facilities for seamen could be established in ports, but the dependents of seamen might live in widely scattered villages. Consequently, in order to make it possible for such countries to ratify the convention, the section relating to medical care for dependents of seamen was amended to call only for medical benefits as favorable as those available to the dependents of industrial workers. The committee proposed, however, and the Conference adopted, a recommendation that members endeavor to provide proper and sufficient medical care for the dependents of seamen, pending the development of a medical care service covering workers and their dependents generally.

On the motion of the United States Government member, with some amendment by the committee, a provision was added calling for appropriate coordination or integration of any special provisions for seamen or their dependents with any general system providing corresponding and not less favorable benefits. The United States Government member indicated that in this country the preferred method of assuring social insurance protection to seamen and their dependents is under a general system, and that the world-wide trend is toward comprehensive basic protection and the integration, or at least coordination, of special systems with general systems. The committee accepted the amendment on condition that there be no obligation to integrate, rather than to coordinate, special measures with more general systems.

The committee made no major change in the article relating to benefits for seamen left abroad, though there were some editorial amendments to make more specific the meaning of the terms used. A motion by the employers' group to reduce from 100 percent to 75 percent of

wages the allowance to seamen left abroad was defeated.

The major issue which concerned the committee was the question of equal protection for resident and for nonresident seamen. The two substantive articles as drafted on the basis of the decisions reached at Copenhagen applied only to resident seamen; other articles extended limited guarantees to nonresidents. The workers' members of the committee introduced amendments which would have made the country of the ship on which a seaman was employed responsible for providing protection to nonresidents as well as to residents. On a record vote, there were 25 votes in favor of the principle of equal treatment for residents and nonresidents and 22 votes against this principle. Those voting in favor of equal treatment were the 8 worker members, the employer members from China and India, and the government members from the United States, the Netherlands, Poland, China, and India.¹⁰ The Netherlands, like the United States, now covers nonresident as well as resident seamen under its social insurance laws.

The position of those governments which opposed equality of treatment for nonresidents was based on a number of theoretical and practical considerations, related to the general character of their social insurance systems. Where social insurance benefits are financed in large part, or in whole, from general revenues, there is a reluctance to extend the protections of the system to persons who have not been for most of their lives residents and at least potential taxpayers. The question of financing is important in two very different types of system. The French special pension system for seamen, for instance, which requires substantial contributions from seamen and shipowners, is also heavily subsidized by the State. The system covers only French nationals, thus excluding even residents who are not citizens. This exclusion and the State subsidy are justified on the grounds of the value for national defense of an experienced corps of merchant seamen who are nationals.

¹⁰ In order to give equal weight to the votes of the three groups (see p. 18) in this committee, each employer and each worker vote counted as two votes.

The question of revenue sources is also important in a general and comprehensive system like that of New Zealand or Denmark, where benefits to supplement family income in a wide range of contingencies are financed primarily from income tax or general revenues. The trend toward more comprehensive social insurance programs draws much of its strength from a concept of universality of protection and lifetime protection for all members of the community. Under such a concept, benefit rights—even though technically related to a contribution or earnings record—are based on membership in the community rather than on employment in a specified industry or industries. Both theoretically and practically, such systems find it difficult to make provision for the person with only occasional employment in the country or on the country's ships. It should be noted that neither in Denmark or New Zealand or Australia, nor in Great Britain, is social security protection extended only to citizens or nationals. The test, rather, is that of residence, or residence for a specified length of time.

It was pointed out during the discussions of the Social Security Committee that, so long as the right to benefits is based on contributions or earnings over a substantial period of time, the nonresident seamen might well lose rather than gain by being "covered." For instance, under the new British social insurance program, even though a large share of the cost will be paid from general taxation, the worker's contribution (for all benefits) will be high. If nonresident seamen had to pay this contribution, they would seldom get fair value in return, since the qualifying condition for most benefits will be 50 weekly contributions a year either actually paid or credited without payment when the worker is receiving sickness or unemployment benefits. Even with more liberal qualifying requirements, such as those under the United States old-age and survivors insurance system, the protection afforded nonresidents may be more apparent than real. One solution to this aspect of the problem—application of the provisions of the Maintenance of Migrants' Pension Rights Convention—is discussed below.

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Another practical difficulty in the way of extending equal protection to nonresidents results from the substantial differences which still obtain in the wages paid seamen in different countries, and which will not be eliminated by the wage and hour convention. Where insurance contributions and benefits are proportional to wages, the problem is not serious. Where benefits are in large part complementary to other income, as in New Zealand, or where contributions and benefits are flat uniform amounts for all workers, the situation is somewhat different. The British argued, for instance, that neither their contributions nor their benefits were appropriate in relation to the Indian seamen's wage and that it would be quite impractical for Great Britain to set up or to administer a separate benefit scheme for Indians in India or for other nonresidents in their countries of residence.

What Great Britain proposes, therefore, is to exempt nonresidents from paying contributions under the new social insurance system, as they are exempted at present. The employer will pay, as he does now, the regular employer contribution. At present, the shipowner's contribution goes into a special pension and welfare fund for British seamen. With respect to Indian seamen, the British Government has now offered to transfer the shipowners' contributions, in whole or part, to India, if the Indian Government sets up a social insurance system for Indian seamen. Plans for such a system are well advanced. The contribution and benefit rates will be determined by the Indian Government and will apply to all seamen, whether employed on Indian, British, or other vessels. The employee contribution can be collected by the Indian social insurance system when the seaman signs on or off articles in an Indian port. The British Government will then turn over to the Indian system an amount equal to the contributions that British shipowners would pay if they were subject to the Indian system, up to the amount of contributions actually paid by British shipowners to the British social insurance fund.

The Government member of the Social Security Committee from the United Kingdom indicated that his

Government was prepared to negotiate agreements on a reciprocal basis with other countries, a substantial number of whose residents were employed on British ships. In the case of European or other seamen who may sign on a British ship in almost any port, the home country of the seaman would have difficulty collecting the seaman's contribution, if there is one under its law. One possible arrangement would be for the British shipowner to collect the worker's contribution (at the same rates as for British seamen) and the British Government to transfer this contribution to the social insurance system of the worker's country of residence. At present, under a reciprocal agreement between Ireland and the United Kingdom, an Irish seaman on a British ship pays contributions under the British scheme of health insurance but is treated as insured under the corresponding Irish scheme, and vice versa. It may be noted that a British seaman employed on the ship of another country may maintain his social insurance rights under the British social insurance system by voluntary contributions.

In view of the vote of the Social Security Committee for the principle of equal treatment of residents and nonresidents, an attempt was made to work out a formula which would assure protection to nonresidents and still be practical and possible of adoption. The committee recessed for 48 hours to allow time for informal discussions among and between the members of the workers', the employers', and the government groups.

The ILO staff prepared a draft which appeared to go a long way toward meeting the problem. It would have required a member who ratified the convention to provide social security protection (of the same scope as that assured to its own residents) to seafarers residing in the territory of any other member for whom the convention was in force, either (a) by applying its own social insurance schemes to the seafarer and, so far as practical, furnishing benefits under its scheme to the seafarer even when he was present in his own country through arrangements for the competent social insurance agency of that country to take claims and make pay-

ments as its administrative agent, or (b) by collecting contributions with respect to such seafarers and transferring them to the appropriate social insurance institution of their country of residence. The country of residence would be obligated to credit such contributions to the individual accounts of the seamen under its insurance system. There was a proviso to the effect that a member might refuse to collect and transfer contributions for seamen from any country if the number of such seamen was less than 100. A further proviso that the member should not be required to collect contributions at a rate higher than those it would collect from its own seamen would presumably have made it unnecessary for the very few countries having entirely noncontributory systems to do anything about nonresident seamen.

This proposal was not acceptable to the majority of governments concerned. The British Government member suggested that there might be circumstances in which one government would not want to transfer monies to another. In any case, he thought his government would want to gain some experience in the negotiation and administration of reciprocal agreements before it undertook an unconditional obligation to provide social security protection to nonresidents. A number of other government members supported this position. It became evident that the workers had nothing to gain by pushing through the committee a convention which might fail of adoption by the plenary session and which would probably not be ratified by most maritime countries.

Consequently, when the committee met again, it decided to take up first the draft recommendation relating to reciprocal agreements. Having thus done what it could toward encouraging equality of treatment for nonresidents, the committee returned to a consideration of the Social Security Convention. It agreed that the two substantive articles should apply only to seamen and their dependents who were residents of and present in the territory of the ship or to resident seamen left ill outside the territory. Some of these protections were then assured to nonresident seamen by subsequent Articles.

Equality of treatment for nonresidents would be required under national laws and regulations relating to the liability of the shipowner in respect of sickness, injury, or death or any other law providing for maintenance, medical care, and repatriation for seamen left ill abroad. There are some countries which now discriminate between residents and nonresidents even with respect to these rights. If the payment of wages to seamen left ill abroad is covered by shipowners' liability, as it is in the United States and many other countries, nonresident seamen would thus be guaranteed such payments by the terms of the convention. Where, as in Great Britain, provision for such payments is to be made through collective bargaining, the convention does not require similar treatment for nonresidents. With respect to protection for nonresident seamen left ill abroad, the Social Security (Seafarers) Convention, 1946, is less liberal than the Shipowners' Liability Convention, 1936, which placed on the shipowner primary responsibility for defraying the cost of medical care and paying a portion of wages to an incapacitated seaman for at least 16 weeks, even though he was repatriated before that time, and whether or not the seaman was a resident of the ship's country. However, the Shipowners' Liability Convention has been ratified by only the United States, Belgium, and Mexico and has not yet been implemented by the United States.

A member ratifying the Social Security (Seafarers) Convention, 1946, would also guarantee that the provisions of its laws relating to medical and cash benefits in case of employment injury would be applied equally to residents of other members for which the convention is in effective operation. There was considerable support for the position that, at least with respect to employment injury, the obligation to furnish protection should rest unconditionally on the employer or the country of the ship. Existing workmen's compensation laws for seamen in a number of countries do not now assure equal protection to residents and nonresidents. The existing British workmen's compensation scheme does apply equally, but according to present plans the new

industrial injury system which will replace workmen's compensation in 1948 will not automatically cover any nonresident seamen. In the case of employment injury benefits, the British Government is willing to agree unconditionally to extend protection to residents of any members which ratify the convention and is anxious to make suitable arrangements for other nonresident seamen, but it is not willing to make any commitments with regard to nonresident seamen generally.

The convention would also require equality of treatment for seamen and their dependents irrespective of nationality or race under shipowners' liability and compulsory sickness, unemployment, or employment injury insurance. The French Government member stated that his government intended to amend its laws, which now discriminate against nonnationals, to meet this provision. He could not, however, go along with a proposal by the United States Government member to extend the same guarantee to compulsory old-age and survivor insurance.

Seafarers' Social Security (Agreements) Recommendation.—The recommendation concerning agreements relating to the social security of seafarers, as finally amended by the committee and adopted by the Conference, urges members of the ILO to enter into agreements to assure that nonresident seafarers have social insurance protection either under the systems of their own country or those of the ship's country. It indicates that the ship's country should take the responsibility for seeing that—through special agreements or otherwise—nonresidents have protection against employment injury. It suggests several forms which such agreements might take: agreements for transfer of contributions, agreements for the social insurance institutions of one country to act as administrative agents for the other in taking claims and furnishing benefits, agreements to apply the provisions of the Maintenance of Migrants' Pension Rights Convention, 1935, or a combination of such methods.

The second and third methods were included on the motion of the United States Government member. The

transfer-of-contribution method is particularly applicable when large groups of nonresident seamen are involved. It is not likely ever to result in coverage for all nonresidents. It seemed important, therefore, to call attention to an alternative method of meeting the problem. This method would call for equal treatment of residents and nonresidents, as under old-age and survivors insurance and unemployment insurance in the United States. The problem of seamen having insufficient employment on the ships of one country to meet the qualifying requirements for the long-term benefits would be solved by applying to seamen the provisions of the Maintenance of Migrants' Pension Rights Convention. This convention provides that the insurance system of a ratifying country shall take into account periods spent in employment covered by a parallel insurance system of any other ratifying country for the purpose of determining eligibility for old-age, invalidity, and survivors benefits. The amount of benefit payable would be computed separately by each insurance system under which the worker qualified on the basis of his "totalized" employment. Each such insurance system would pay in full that part of its benefit which varied with the time spent in insurance under the system; and each such system would reduce, proportionately to the time spent in employment covered by other systems, that part of its benefit determined independently of the time spent in insurance. While some modifications in detail might be found desirable, this general method can appropriately be used in international agreements relating to seamen. Furthermore, this method can be used in combination with agreements for transfer of contributions. For instance, a Norwegian seaman might be employed in the course of his lifetime on Norwegian, British, and United States ships. If the appropriate international agreements had been reached, he would have credits under the Norwegian insurance system for his periods of employment on Norwegian and, through transfer of contributions, on British ships; these total credits would then be taken into account by Norway and by the United States in determining his benefits under the Norwegian and

the United States insurance systems.

For the short-term benefits, it was suggested that the combining of wage credits internationally seems neither feasible nor necessary, but arrangements should be made wherever possible to pay such benefits outside the territory of the insurance system. The method suggested was that of agency agreements similar to those which all the State unemployment compensation agencies in the United States now have with one another and which most of the States have with the Canadian unemployment insurance system.

Seafarers' Pensions Convention.—The second social security convention adopted by the Conference relates to special pensions for seamen on retirement from sea service. This convention specifies the actual level of the benefits to be provided, though the formula is more flexible than that included in the Model Scheme or in the draft text considered at Copenhagen. The pensions payable, together with any other social security pension payable simultaneously to the pensioner, must amount to 1½ percent of the wages on which contributions were paid for each year of sea service if the retirement age is 55, and to 2 percent if the retirement age is 60; or they must be at such a level as to require a premium income of not less than 10 percent of taxable wages. The convention provides that seafarers collectively shall not contribute more than half the cost of the pensions payable under the scheme.

As was indicated earlier, this pensions convention was of particular interest to the workers and governments of a number of European countries that now have special pension schemes for seamen. Several government members indicated that they were waiting to see what agreements were reached on this convention before suggesting modifications in their seamen's pension legislation.

On the other hand, a number of government members indicated that their countries were committed to the principle of extending social security protection to seamen along with other workers under a general system, and could not be expected to ratify a convention calling for special pension schemes for seamen. On the final

vote in plenary session, the Seafarers' Pensions Convention, 1946, was adopted by a vote of 56 for and 16 opposed, with 25 abstentions. The United States Government delegates and the United States worker delegate were among those who abstained from voting. The United States employer delegate, together with all the other employer delegates except those from Belgium, France, and Poland, voted against the convention. In contrast, the Social Security (Seafarers) Convention, 1946, was adopted by a vote of 76 for and 14 opposed, with 2 abstentions.

United States Position With Relation to Social Security for Seamen

How does the social security protection which seamen on United States ships now enjoy compare with the standards embodied in the Social Security (Seafarers) Convention, 1946?

Seamen in this country have been covered under old-age and survivors insurance since 1940 and thus enjoy the same protection for the risks of old age and death as do industrial workers. The recently enacted legislation which brings seamen under the State unemployment insurance laws will presumably give seamen protection at least as favorable as that available to industrial workers generally, in case of unemployment.

Seamen sailing on American vessels are entitled to medical care in the marine hospitals and through the other facilities of the U. S. Public Health Service. These benefits are provided entirely from public funds. Under existing regulations a worker must apply for such care for the first time in a spell of illness within 90 days after signing off articles or he is regarded as being no longer a seaman. Some of the seamen's unions have urged that a worker who has had as much as 15 years of sea service should thereafter be entitled to medical care as a seaman for the rest of his life. Some such provision might be suggested by the terms of the convention. So far as scope of services is concerned, it is generally believed that this country now meets the standard of providing "proper and sufficient medical care" for seamen.

The convention further requires

that seamen should be entitled to cash benefits with respect to incapacity for work (whether due to employment injury or not) at least as favorable as those available to industrial workers and, if such benefits are not payable to industrial workers, they should nevertheless be provided for seamen.

For work-connected disabilities, most industrial workers in this country are covered by State workmen's compensation laws. Seamen are at present protected under the laws concerning shipowners' liability, and under the Jones Act they may sue for damages occasioned by the shipowners' negligence without the prepayment of court costs and with most of the usual employer's common law defenses abrogated. It is somewhat difficult to compare the protection which seamen and their dependents thus enjoy with that which industrial workers generally have under the 47 State workmen's compensation laws. Up to the present, the seamen themselves have preferred the system they now have. So long as that remains true, it would seem reasonable to say that seamen do enjoy protection, in case of work-connected disabilities, as favorable as that available to industrial workers generally, and that no change in our present laws is required to enable the United States to comply

with that provision of the convention.

So far as non-work-connected disabilities are concerned, we do not now meet the standards of the convention, since seamen like other workers lack income protection for long-continued disability and—except in two States—temporary sickness.

Under existing maritime law, seamen on United States ships are entitled to medical care, maintenance, and repatriation when left ill abroad. They are also entitled to 100 percent of wages until the end of the voyage, a period which may be either longer or shorter than the 12 weeks specified in the convention. If the United States were to ratify the convention, the provision relating to payment of wages might be determined to be self-implementing; that is to say, the courts might automatically read this guarantee into every shipping contract, as they now read the guarantee of wages until the end of the voyage. If they did not do so, it would need to be implemented either through legislation or collective bargaining agreements. Arrangements for the payment of unemployment (and sickness) benefits to qualified workers left abroad because of illness at the expiration of the 12 weeks and until they were repatriated could be made through administrative action by the

appropriate Federal and State agencies.

In one important respect—equality of treatment without regard to race, nationality, or residence—the social insurance program in the United States is in advance of the standard set by the Social Security (Seafarers) Convention, 1946.

Only one major addition to the social security protections now available to seamen on United States ships—cash benefits in case of non-work-connected sickness and disability—is thus necessary to make it possible for the United States to ratify and give effect to its obligations under the convention. This major gap would be filled, for seamen as for other workers, were legislation to be enacted carrying out recommendations which have already been made to the Congress by the President and the Social Security Board.

It is to be hoped that the United States will before long join with other nations in bringing the social security convention into effective operation, and thus be in a position to work effectively with them toward international agreements that will give full substance to the program which was foreshadowed at the Seattle Conference.

(Continued from page 16)

Council meeting, and the amended constitution will be put on the agenda for action by the General Assembly of the United Nations at its next meeting, scheduled for September. If action is favorable, signature of the new constitution by the delegates of member governments will then be in order. Ratification by the member governments and financial contributions are required, however, before the new organization can become operative. The major concern at this time is to obtain sufficient funds to finance operations by June 30, 1947, when UNRRA's Displaced Persons program in Europe is scheduled to terminate. The number of European refugees and displaced persons to be cared for is more than 984,000; figures for the Far East are not yet fully determined.

World Health Organization.—The Constitution of a World Health Organization was presented to 51 member governments of the United Nations and 13 other nonmember governments at a special session of the International Health Conference in New York on July 22. This Conference, which had been convoked by the Social and Economic Council on the recommendation of its Technical Preparatory Committee on Health, went into session on June 19 to draw up a constitution for the new world health organization. Before it can come into being, however, the constitution must be ratified by 26 members of the United Nations, with the approval, when necessary, of their national legislatures.

In the meantime, since ratification may take several months, the Council

established an Interim Commission consisting of representatives of 18 member governments. This commission will be responsible for preparing for the first session of the World Health Organization after the constitution comes into force and for drawing up proposals for organization, budget, and other necessary details. It is also empowered to enter into negotiations with the League of Nations Health Organization and certain other organizations in the field of health to effect the transfer of the functions and activities which have been assigned to the United Nations. A later issue of the *BULLETIN* will carry a description of the work of drawing up the constitution—called the "Magna Carta of health"—and of the aims and scope of the World Health Organization.

Employment Security

Unemployment Claims and Benefits

State Programs

The decline in claims for unemployment insurance during June again reflected the trend of reconversion as established before the labor disputes in April and May. The lessening of pressure of veterans on the labor market also contributed to the drop in claims, as fewer civilian workers were displaced by ex-servicemen. While reconversion progressed substantially in the country as a whole, repercussions of the recent coal dispute and uncertainty about the future of price control were responsible for jerky and uneven expansion in individual industries.

Steel-ingot production, which had dropped from 89 percent of capacity in March, before the coal dispute, to 43 percent in the last week of May, had climbed back up to 87 percent of capacity in the last week of June. Paralleling this situation were the freight-car loadings: 800,000 in the week ended March 16; 649,000 in the second week in April; and 688,000 and 868,000 in the corresponding weeks of May and June.

Initial claims dropped from the May total of 1.1 million to 762,000 in June (table 2). New York alone reported 130,700 fewer initial claims; only 7,400 transitional initial claims were received from claimants entering their new benefit year as compared with 202,900 in May. The drop of 66,400 in Illinois was attributed to resumption of operations in activities curtailed directly or indirectly by labor disputes in key industries. Michigan had 23,200 fewer claims, while the decreases in Indiana, Virginia, and Pennsylvania were 19,000, 17,200, and 16,600 respectively. Only 5 States showed an increase in initial claims, and 4 of them increased less than 1,000.

Continued claims dropped more than a million, from 6.5 million to 5.4 million (table 3). All but 4 States reported fewer. Pennsylvania showed the largest decline, 282,100, and California was next with 174,200. The declines in New Jersey and Ohio were 68,600 and 79,900, respectively. Two

outstanding increases were 56,700 in Michigan and 21,300 in Virginia.

Unemployment during the week of June 8, as represented by the ratio of continued claims to covered employment in 1945, was 5.1 percent. This ratio has declined each month since March, when the ratio was 6.8 percent. In 11 States this ratio dropped one or more percentage points during June; in Oregon it went down from 8.7 to 6.9 percent and in Washington from 8.6 to 6.8 percent. Michigan and Virginia were the only States in which the ratio rose more than one percentage point—from 6.6 to 10.2 percent and 2.1 to 4.2 percent, respectively.

The average weekly number of beneficiaries dropped from 1.3 million to 1.2 million during June (table 4), marking the fifth consecutive month this total has declined. Of the 46 States for which data are available, only 8 showed more beneficiaries than in May, and only 3 reported increases of more than 4,000. In Michigan the average weekly number of beneficiaries rose 13,900—partly as the result of lay-offs in a large automobile-manufacturing plant; in Virginia it rose 7,800, mainly because of the new benefit year, which began June 1.

Benefit payments, which declined

for the third successive month, totaled \$93.0 million, or about \$10.9 million less than was paid in May (table 4). New York and Pennsylvania each reported a drop of more than \$1 million, while Oregon, Texas, and Washington had declines of more than half a million. Eight States showed larger disbursements. In Michigan the rise amounted to \$1.3 million, and Illinois, Massachusetts, and Virginia also showed considerable increases.

During April-June, collections and interest totaling \$279.7 million¹ were deposited in State clearing accounts, while \$307.0 million¹ in benefits was paid to unemployed workers (table 5). The ratio of benefits to contributions for the Nation was 119.1 percent; in 8 States the ratio was more than 200 percent. Twenty-one States paid more in benefits than they collected in contributions during the quarter. In Oklahoma the ratio was 305 percent; in Maryland, 276 percent; in Michigan, 263 percent; and in Alabama, 253 percent. At the other extreme, 13 States had ratios of less than 50 percent.

Funds available for the payment of benefits dropped \$15.2 million during the quarter, standing at \$6.7 billion² on June 30.

¹ Excludes June benefits and collections in Arizona and California.

² Includes Arizona and California as of May 31, 1946.

Table 1.—Summary of unemployment compensation operations, June 1946

Item	Number or amount	Amount of change from—	
		May 1946	June 1945
Initial claims			
New	1,762,000	—358,000	+493,000
Additional ¹	1,579,000	—234,000	+360,000
Continued claims	1,183,000	—124,000	+133,000
Waiting-period ²	1,541,000	—1,082,000	+4,605,000
Compensable	1,480,000	36,000	+304,000
Weeks compensated	1,925,000	—1,045,000	+4,301,000
Total unemployment	4,913,000	—607,000	+4,530,000
Other than total unemployment ³	4,78,000	—2,000	+128,000
First payments	4,521,000	+66,000	+409,000
Exhaustions	4,160,000	—26,000	+149,000
Weekly average beneficiaries	4,1,175,000	—140,000	+1,045,000
Benefits paid ⁴	4,92,981,000	—10,907,000	+83,296,000
Benefits paid since first payable ⁵	\$3,309,403,976		
Funds available as of June 30, 1946 ⁶	\$6,744,316,530	—43,219,855	+59,001,194

¹ Includes estimated data for South Dakota.

² Excludes Ohio and Texas, which have no provisions for filing additional claims.

³ Excludes Maryland, which has no provision for filing waiting-period claims.

⁴ Includes estimated data for California, District of Columbia, Indiana, Ohio, and South Dakota; also Pennsylvania for total and other than total unemployment and Nebraska for first payments.

⁵ Excludes Montana, which has no provision for payment of other than total unemployment; also Pennsylvania before January 1946.

⁶ Excludes Wisconsin; data not comparable.

⁷ Gross: not adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁸ Net: adjusted for voided benefit checks and transfers under interstate combined wage plan. Includes estimated data for Arizona and California for June 1946.

⁹ Includes Arizona and California as of May 31, 1946.

Both compensable claims and the number of weeks of unemployment compensated have declined each month since March. Compensable claims, however, have dropped at a faster rate.³

Month	Weeks compensated	Compensable claims
January	7,080,800	7,586,100
February	6,484,200	6,742,300
March	6,897,800	6,907,600
April	6,076,900	6,139,000
May	5,698,000	5,980,400
June	5,091,000	4,935,000

The relative trend of these two items indicates that States are reducing their backlog of claims for weeks of unemployment which occurred in earlier months. It also indicates, to some degree, that an increasing proportion of the persons who reach compensable status actually receive a benefit check and that fewer are being disqualified after having been found eligible on the basis of wage credits.

Region I.—All the New England States reported declines in both initial and continued claims during June. Unemployment, in terms of the ratio of continued claims to covered workers, ranged from 1.8 percent in New Hampshire to 7.9 percent in Rhode Island, which had the fourth highest in the Nation. Maine and Rhode Island were the only States in the region with ratios above the national average.

Connecticut's drop from 9,000 to 7,000 in initial claims and from 65,000 to 50,200 in continued claims reflected a general increase in employment. The decline would have been greater except for lay-offs and a slowing of expansion due to secondary shortages of materials, principally copper wire; the return to the labor market of students with wage credits who could not find jobs and therefore filed for benefits; continued, though lessening, reluctance of employers to hire middle-aged persons. Only one large strike was in progress during the month, and it gave rise to few claims.

Initial claims in Massachusetts dropped from 31,200 to 23,600, chiefly

³Twelve States, moreover, took compensable claims on a biweekly basis during the January-June period. Since each claim certified to 2 compensable weeks of unemployment, the number of weeks compensated exceeded the number of compensable claims in June.

as a result of declines in the Boston, Springfield, Pittsfield, Worcester, and Lynn areas, where metal supplies have improved. Continued claims dropped by 19,500, to 235,300. The only significant change in compensable claims was in the Gloucester area, where the peak season in fish-processing cut the June claims in half.

Continued claims in Rhode Island dropped from 87,400 to 66,300, the greatest relative decline (24 percent) for any State in the region. More than a fourth of New Hampshire's 7,700 continued claims were interstate claims received as agent State.

Massachusetts was the only State in which benefits exceeded collections during the quarter, the ratio being more than 2 to 1.

Region II-III.—Both types of claims, as well as the average weekly number of beneficiaries and the amount of benefits paid, declined in all four States. Unemployment, as reflected by the ratio of continued claims to covered workers, dropped in Delaware, New Jersey, and Pennsylvania, but New Jersey's ratio remained above the national average.

New Jersey's initial claims declined for the fifth consecutive month, from 29,600 to 26,400. A drop from 364,800 to 296,200 in continued claims reflected the constantly improving economic situation in that State. In New York initial claims fell from 321,700 to 191,000; only 7,400 transitional initial claims were received from claimants entering their new benefit year, as compared with 202,900 in the preceding month. If this type of claim were excluded from both the May and June totals, initial claims would show an increase, due partly to labor disputes in the Buffalo area. Continued claims in New York declined, as in the preceding 2 months. New York's benefit payments of \$11.9 million in June were the largest in the Nation.

Pennsylvania's initial claims dropped from 108,100 to 91,500, although a new benefit year started for a number of claimants on June 1. Lay-offs and labor disputes in the Allentown, Coatesville, and Pottstown areas contributed to the initial claims load during the month. The anthracite stoppage in the areas around Scranton, Wilkes-Barre, and Shenandoah prevented a further drop in initial claims. The drop in continued

claims from 794,200 to 512,200 was due to the great number which had been received in the preceding month from miners who had completed their disqualification period.

Benefits exceeded collections during the April-June period in all States but New York.

Region IV.—Virginia's unemployment ratio rose from 2.1 to 4.2 percent, but in the other four States it remained the same or declined. Initial and continued claims dropped in all States but Virginia, which reported an increase in continued claims.

North Carolina's 37-percent decline in initial claims was brought about by the slackening in seasonal lay-offs in the tobacco industry in Winston-Salem, Rocky Mount, and other areas. Continued claims also dropped but not at the same rate.

The drop in Virginia's initial claims reflected a leveling off of lay-offs due to material shortages following the settlement of the coal and railway labor disputes. Continued claims in this State jumped 21,300 as a result of the return to single-week reporting.

Only two States in this region—Maryland and West Virginia—reported more benefits than collections during the quarter ended June 30. Maryland paid \$2.76 in benefits for every dollar collected. North Carolina, on the other hand, paid only 42 cents for every dollar in collections.

Region V.—Michigan's ratio of unemployment jumped from 6.6 to 10.2 percent, the highest in the Nation, and the Kentucky ratio was also above the national average. The average weekly number of beneficiaries rose in Kentucky and Michigan; data on Ohio's average number are not available. All three States reported fewer initial claims, and only Michigan had an increase in continued claims. The Michigan rise from 398,000 to 454,700 was caused by a lay-off at a large automobile-manufacturing plant. Part of Ohio's drop in initial claims resulted from increased activity in the Youngstown-Warren area. More than 10,000 persons exhausted benefit rights in both Michigan and Ohio during the month.

Michigan and Ohio paid \$2.63 and \$1.28, respectively, in benefits for every dollar collected; Kentucky paid 94 cents.

Region VI.—Indiana and Wisconsin had unemployment ratios below the national average. Initial claims dropped sharply in all three States, and only Wisconsin showed a rise in continued claims.

Table 2.—Initial claims received in local offices, by State, June 1946

[Data reported by State agencies; corrected to July 15, 1946]

Region and State	Total ¹				New	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total	All claimants
		May 1946	June 1945			
Total ²	762,000	-358,000	+493,000	321,000	7.4	579,000
Region I:						259,000
Conn.	6,952	-2,031	-2,045	3,135	7.5	5,512
Maine	2,718	-1,635	+1,317	1,227	7.3	2,319
Mass.	23,550	-7,655	+13,156	11,155	4.2	20,360
N. H.	930	-668	+553	457	19.4	745
R. I.	4,471	-1,368	+1,070	1,687	4.6	3,582
Vt.	407	-619	+255	218	31.2	325
Region II-III:						177
Del.	1,043	-652	+58	401	18.2	735
N. J.	26,378	-3,223	+13,159	10,576	6.7	17,287
N. Y.	190,980	-130,747	+131,068	95,275	2.2	146,214
Pa.	91,469	-16,610	+73,562	30,120	4.8	73,070
Region IV:						26,403
D. C.	1,058	-6	+892	401	30.3	982
Md.	9,248	-6,665	+7,487	3,551	5.6	7,519
N. C.	4,681	-2,773	+3,563	2,791	15.2	3,543
Va.	5,363	-17,209	+4,611	2,957	14.9	5,233
W. Va.	9,178	-1,709	+5,916	2,893	17.1	8,150
Region V:						2,702
Ky.	6,898	-3,230	+4,413	2,231	34.5	5,739
Mich.	85,213	-23,159	+44,600	41,119	1.8	73,839
Ohio	19,615	-9,707	+13,062	5,919	6.5	19,615
Region VI:						5,919
Ill.	47,563	-66,424	+21,940	17,950	5.9	36,046
Ind.	16,844	-18,958	+3,699	6,303	9.2	9,137
Wis.	7,279	-6,580	+5,139	2,388	6.7	4,994
Region VII:						3,125
Ala.	10,473	+942	+7,963	2,422	8.0	7,945
Fla.	8,337	+1,201	+6,296	4,111	24.0	6,422
Ga.	5,322	-647	+3,891	2,405	10.3	3,558
Miss.	2,456	-140	+1,626	927	29.3	2,091
S. C.	2,519	-1,574	+1,968	808	18.3	1,919
Tenn.	7,922	-1,848	+5,423	3,423	14.1	6,677
Region VIII:						2,864
Iowa	4,309	-239	+3,481	1,704	13.4	2,705
Minn.	4,883	-3,346	+3,917	1,648	14.5	3,561
Nebr.	1,630	-17	+1,454	657	20.3	1,224
N. Dak.	363	-25	+326	184	53.2	283
S. Dak. ³						139
Region IX:						
Ark.	4,823	-198	+3,995	1,692	38.6	4,325
Kans.	5,104	-1,165	+3,754	2,135	24.5	3,598
Mo.	18,585	-4,292	+14,709	6,395	15.5	10,886
Okl.	7,227	-677	+5,097	2,554	27.7	5,283
Region X:						2,022
La.	8,362	-1,806	+6,646	2,360	11.5	6,457
N. Mex.	592	-212	+520	178	57.8	528
Tex.	11,902	-1,983	+8,487	4,102	15.9	11,902
Region XI:						4,102
Colo.	2,285	-312	+2,054	852	32.1	1,938
Idaho	948	+93	+794	649	33.3	671
Mont.	1,064	-642	+930	425	34.4	800
Utah	1,447	-386	+1,330	83	21.4	907
Wyo.	324	-2	+313	118	32.7	247
Region XII:						105
Ariz.	1,972	-352	+1,168	712	41.9	1,604
Calif.	71,327	-14,624	+45,365	31,778	8.5	39,585
Nev.	556	-180	+493	230	54.7	456
Oreg.	5,896	-2,083	+4,810	2,614	20.6	3,542
Wash.	9,373	-2,081	+8,184	3,055	10.2	4,758
Territories:						1,887
Alaska	76	-9	+71	19	13.2	60
Hawaii	71	+21	+69	26	31.0	57
						19

In Illinois the 47,600 initial claims were less than half the number in May. This sharp drop was due to resumption of activities which had been curtailed directly or indirectly by labor disputes in key industries. Con-

tinued claims also declined, from 511,000 to 477,100, but were still high, mainly because of the inability of industry to absorb workers during the lag in reconversion and because of current shortages in machinery.

Table 3.—Continued claims received in local offices, by State, June 1946

[Data reported by State agencies; corrected to July 15, 1946]

Region and State	Total ¹				Compensable	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total ²	All claimants
		May 1946	June 1945			
Total ³	5,415,000	-1,082,000	+4,605,000	2,164,000	9.5	4,935,000
Region I:						1,961,000
Conn.	50,180	-14,811	+33,108	22,307	6.7	46,376
Maine	34,797	-8,534	+25,333	13,090	6.7	33,327
Mass.	255,273	-19,549	+212,205	98,373	3.6	216,512
N. H.	7,710	-647	+6,085	3,790	26.6	6,153
R. I.	66,285	-21,122	+55,312	19,153	3.6	64,328
Vt.	6,735	-1,122	+6,178	3,995	19.2	6,299
Region II-III:						3,781
Del.	9,103	-2,956	+7,469	3,758	23.3	8,739
N. J.	296,222	-68,575	+260,487	117,977	3.6	281,395
N. Y.	776,333	-25,644	+638,524	365,206	3.3	596,638
Pa.	512,178	-282,053	+485,823	148,472	5.7	461,953
Region IV:						131,667
D. C.	9,552	-611	+8,505	2,910	14.4	8,978
Md.	106,606	-21,475	+99,507	43,858	2.4	106,606
N. C.	51,257	-8,661	+45,257	35,928	14.2	48,145
Va.	72,185	-21,256	+67,709	43,758	12.5	66,885
W. Va.	86,454	-19,535	+75,149	23,720	24.4	84,707
Region V:						23,366
Ky.	84,961	-21,902	+73,615	28,095	39.4	82,152
Mich.	454,719	-56,722	+294,172	129,464	2.4	432,472
Ohio	264,456	-79,939	+253,049	99,699	4.4	235,049
Region VI:						90,611
Ill.	477,093	-33,942	+400,221	211,926	4.5	449,196
Ind.	100,599	-37,620	+78,903	35,118	7.3	92,243
Wis.	51,622	+952	+45,905	20,327	9.6	39,512
Region VII:						17,809
Ala.	44,076	-9,116	+36,279	13,924	21.1	40,125
Fla.	40,380	-1,346	+25,399	18,044	27.9	36,923
Ga.	41,349	-9,666	+36,090	19,265	13.3	36,269
Miss.	20,613	-7,033	+16,698	7,756	43.0	18,900
S. C.	16,898	-4,329	+13,965	7,808	23.5	15,300
Tenn.	89,119	-39,138	+78,044	38,133	17.3	85,110
Region VIII:						36,345
Iowa	27,757	-7,972	+24,156	12,672	23.6	25,489
Minn.	37,544	-12,657	+34,196	13,305	18.1	34,744
Neb.	12,778	-2,666	+12,072	6,457	19.9	11,599
N. Dak.	3,873	-677	+3,763	1,727	71.6	3,783
S. Dak. ⁴						1,671
Region IX:						
Ark.	50,679	-15,732	+47,827	17,307	67.3	49,823
Kans.	48,567	-7,377	+45,049	21,097	26.0	46,599
Mo.	136,983	-28,616	+127,641	50,288	22.8	122,920
Okl.	54,992	-15,234	+49,932	19,556	51.9	52,608
Region X:						18,665
La.	48,536	-9,313	+42,169	12,843	20.9	44,842
N. Mex.	5,904	-1,828	+5,628	1,786	27.8	5,804
Tex.	67,003	-18,478	+55,415	24,161	30.0	59,389
Region XI:						21,646
Colo.	17,698	-4,207	+16,347	7,942	23.2	16,199
Idaho	6,374	-3,556	+5,506	3,862	48.9	5,977
Mont.	12,362	-5,896	+11,600	5,304	39.3	11,738
Utah	15,817	-8,253	+15,357	8,231	14.3	15,518
Wyo.	2,243	-114	+2,200	1,083	46.2	1,976
Region XII:						1,014
Ariz.	13,181	-4,407	+11,532	4,671	49.1	12,650
Calif.	633,121	-174,231	+509,599	301,781	5.9	606,021
Nev.	3,906	-1,245	+3,664	1,913	49.3	3,812
Oreg.	64,942	-48,603	+61,906	26,706	11.4	62,319
Wash.	139,868	-49,693	+136,414	51,877	5.7	136,225
Territories:						50,591
Alaska	320	-452	+282	107	18.4	307
Hawaii	457	+209	+453	186	26.9	389
						176

¹ Includes waiting-period claims except in Maryland, which has no provision for filing such claims; in some States includes claims for more than 1 week.

² Total continued claims in some States includes claims for more than 1 week.

³ Includes estimates for South Dakota.

⁴ Data not available.

⁴ Data not available.

equipment, and materials. The high proportion of compensable claims filed by women (45 percent) is out of line with the proportion of women in the labor force. Women are facing greater difficulty than men in finding suitable employment because the

skills which they developed during the war are not in demand.

Indiana's initial claims, totaling 16,800, were less than half the number received in May, despite a partial shut-down of an automobile plant in South Bend from lack of materials,

and an inventory lay-off in a large plant in Logansport.

Wisconsin reported a sharp drop in initial claims and in average weekly number of beneficiaries but a slight rise in continued claims.

In all three States in this region,

Table 4.—Number of beneficiaries, number of weeks compensated, benefits paid, and average weekly payment for total unemployment, by State, June 1946

[Data reported by State agencies; corrected to July 15, 1946]

Region and State	Beneficiaries		Weeks compensated for unemployment			Benefits paid ²		Average weekly payment for total unemployment	
	Average weekly number	Amount of change from—		All types	Total	Other ¹	Amount		
		May 1946	June 1945						
Total ³	1,175,000	—140,000	+1,045,000	5,091,000	4,913,000	178,000	\$92,981,000	+\$10,907,000 +\$83,296,000 \$18.39	
Region I:									
Connecticut	19,171	—500	+16,991	83,072	81,559	1,513	1,732,532	—48,953 +1,554,097 21.01	
Maine	8,477	—209	+6,534	36,733	33,603	3,040	557,783	—970 +441,007 15.53	
Massachusetts	51,180	+1,774	+47,797	221,779	216,923	4,856	4,682,941	+273,220 +4,401,317 21.35	
New Hampshire	1,337	—198	+1,063	5,793	5,508	195	76,551	—10,506 +62,823 13.40	
Rhode Island	14,635	—4,382	+12,364	63,420	58,343	5,077	1,064,471	—327,430 +908,960 17.33	
Vermont	1,295	+78	+1,205	5,612	5,278	334	93,167	+6,724 +87,248 17.03	
Region II-III:									
Delaware	1,850	—524	+1,559	8,017	7,678	339	127,432	—36,624 +107,876 16.20	
New Jersey	72,206	—4,835	+66,935	312,893	305,811	7,082	6,307,576	—466,710 +5,942,707 20.37	
New York	144,385	—20,731	+125,468	625,667	611,520	14,147	11,919,651	+1,504,155 +10,403,062 19.26	
Pennsylvania	111,331	—11,059	+109,606	485,034	(4)	(4)	8,820,622	+1,029,524 +8,650,484 (4)	
Region IV:									
District of Columbia ⁴									
Maryland	30,041	—5,986	+28,312	130,178	125,152	5,026	2,412,382	—493,433 +2,294,498 18.87	
North Carolina	11,492	+444	+10,446	49,797	48,457	1,340	545,104	+13,249 +505,050 11.07	
Virginia	15,427	+7,774	+14,514	66,848	65,804	1,044	831,752	+425,306 +793,780 12.49	
West Virginia	15,074	—1,034	+14,427	65,322	51,916	13,406	1,051,450	—69,761 +1,010,110 15.93	
Region V:									
Kentucky	12,656	+680	+11,350	54,843	54,071	772	667,407	+16,820 +611,762 12.24	
Michigan	97,351	+13,901	+68,382	421,854	389,278	32,576	8,714,853	+1,280,379 +6,265,323 20.71	
Ohio									
Region VI:									
Illinois	100,941	+5,386	+86,779	437,410	420,569	16,841	8,018,842	+315,780 +6,930,749 18.64	
Indiana ⁴									
Wisconsin	8,395	—1,289	+7,748	36,380	33,017	3,363	628,155	—92,157 +586,616 17.77	
Region VII:									
Alabama	14,316	—4,756	+13,011	62,037	59,953	2,084	996,887	—350,768 +928,436 16.16	
Florida	6,697	—579	+4,078	29,019	28,211	808	399,204	—42,660 +252,329 13.90	
Georgia	6,884	—2,229	+6,071	29,830	29,412	418	434,289	—154,570 +392,059 14.62	
Mississippi	2,550	—801	+2,068	11,049	10,700	349	139,699	—45,022 +118,804 12.79	
South Carolina	2,526	—427	+2,076	10,948	10,669	279	148,106	—26,707 +128,509 13.67	
Tennessee	15,989	—4,973	+14,734	69,284	68,492	792	908,841	—301,986 +847,714 13.18	
Region VIII:									
Iowa	4,828	—924	+4,256	20,921	19,767	1,154	317,540	—63,393 +286,613 15.51	
Minnesota	11,531	—5,204	+11,088	49,569	47,709	2,260	817,186	—358,241 +792,293 16.66	
Nebraska	2,526	—625	+2,411	10,944	10,335	609	171,897	—43,935 +166,219 15.99	
North Dakota	231	—70	+222	1,003	912	91	16,132	—5,112 +15,743 16.55	
South Dakota ⁴									
Region IX:									
Arkansas	3,649	—702	+3,411	15,812	15,588	224	188,839	—38,104 +177,380 11.99	
Kansas	11,524	—1,752	+11,047	49,936	48,353	1,583	741,694	—113,598 +714,749 15.02	
Missouri	22,722	—4,545	+21,565	98,461	97,445	1,016	1,617,150	—293,411 +1,549,077 16.50	
Oklahoma	11,267	—2,874	+10,891	48,822	47,170	1,652	807,921	—210,440 +783,328 16.64	
Region X:									
Louisiana	14,386	—914	+13,191	62,337	58,824	3,513	954,071	—60,181 +877,900 15.68	
New Mexico	408	—131	+389	1,766	1,730	36	23,428	—7,882 +22,533 13.34	
Texas	20,182	—10,604	+18,956	87,454	84,490	2,964	1,354,814	—723,505 +1,288,194 15.68	
Region XI:									
Colorado	2,859	+73	+2,631	12,388	12,117	271	171,985	+3,838 +159,828 13.95	
Idaho	617	—476	+452	2,672	2,624	48	37,475	—33,343 +29,706 14.06	
Montana	1,667	—499	+1,569	7,223	7,223	(1)	94,301	—30,090 +89,462 13.06	
Utah	3,344	—1,244	+3,239	14,490	13,747	743	319,414	—135,911 +310,924 22.36	
Wyoming	384	—91	+379	1,664	1,595	69	31,016	—7,139 +30,687 18.89	
Region XII:									
Arizona	2,029	—625	+1,891	8,794	8,688	106	125,323	—39,401 +116,788 14.31	
California ⁴									
Nevada	661	—233	+619	2,866	2,815	51	50,935	—18,271 +48,324 17.87	
Oregon	20,509	—7,070	+19,951	88,873	86,667	2,206	1,501,776	—543,701 +1,469,438 16.89	
Washington	39,527	—7,861	+38,603	171,282	166,141	5,141	3,633,692	—694,513 +3,581,530 21.43	
Territories:									
Alaska	315	—364	+204	1,363	1,329	34	21,406	—24,601 +20,000 15.88	
Hawaii	155	—3	+154	671	597	74	13,180	—1,073 +13,134 20.30	

¹ Includes all weeks compensated for less than total unemployment. Excludes Montana, which has no provision for payment of other than total unemployment.

² Gross: not adjusted for voided benefit checks and transfers under inter-state combined wage plan.

³ Includes estimates for California, District of Columbia, Indiana, Ohio, and South Dakota; also Pennsylvania for total and other than total unemployment.

⁴ Data not available.

benefit payments were more than collections during the quarter ended June 30; in two—Illinois and Indiana—they were more than double the collections.

Region VII.—Unemployment, in terms of the ratio of continued claims to covered workers, dropped in every State in the region but Florida. Alabama's ratio of 5.4 percent was the only one above the national average. Only Alabama and Florida reported increases in initial claims during the month, while continued claims and the average weekly number of beneficiaries declined in all six States.

The slight increase in Alabama's initial claims was attributed to the recent coal dispute, which forced several fabricating plants to shut down or curtail production for lack of iron and steel products as well as coal. A lull in the ship-repair industry also contributed to the higher initial-claims figure.

Florida's initial claims rose slightly as employment slackened in the service, trade, and citrus-canning and packing industries.

In Georgia, both initial and continued claims were below the May levels, but seasonal factors caused variations in some local areas. In Albany, lay-offs at a wholesale pecan firm caused the compensable claims to go up. The Griffin local office also reported an increase in compensable claims caused by a labor dispute in textile establishments and lay-offs in pecan firms.

The lower claims figures in South Carolina reflected improved business conditions in most parts of the State following settlement of the coal dispute. Additional initial claims, however, rose slightly—primarily because shortage of coal forced one plant in the Anderson area to close for the second time.

The ratio of benefits to collections during the quarter ended June 30 was 253 percent in Alabama, while in the other five States the benefits were less than collections.

Region VIII.—The unemployment ratio declined, and was below the national average, in all five States in this region. Except for a small rise in Nebraska's initial claims, both types of claims were below the May levels in all States. Part of the drop in Minnesota's initial and continued claims was due to fewer claims resulting from

Table 5.—*State unemployment compensation funds available for benefits as of June 30, 1946, contributions and interest, benefits paid, and ratio of benefits to contributions, April-June 1946,¹ by State*

[Corrected to July 15, 1946]

Region and State	Funds available for benefits ² (in thousands)		Income, April-June 1946 ³			Benefits paid, April-June 1946 ⁴	Benefits as percent of contributions
	As of June 30, 1946	Amount of change from March 31, 1946	Contributions and interest ⁴	Contributions	Interest		
Total	46,744,317	-15,165	279,710,139	247,510,453	32,199,686	307,041,032	7119.1
Region I:							
Conn.	172,006	+2,683	7,663,910	6,842,573	823,337	4,982,627	72.8
Maine	36,858	+207	1,724,066	1,547,204	176,862	1,517,255	98.1
Mass.	203,210	+5,370	6,720,038	5,731,404	988,634	12,090,333	210.9
N. H.	24,022	+655	885,419	773,358	112,061	230,757	29.8
R. I.	73,113	+404	4,014,803	3,670,101	344,102	3,610,690	98.4
Vt.	13,177	+288	535,274	473,764	61,510	247,015	52.1
Region II-III:							
Del.	13,661	-142	338,255	272,766	65,489	480,163	176.0
N. J.	419,298	-1,315	19,753,201	17,735,283	2,017,918	21,068,373	118.8
N. Y.	983,475	+23,089	63,512,329	58,859,767	4,652,562	40,423,407	68.7
Pa.	584,662	-11,838	17,789,701	14,989,650	2,800,051	29,627,831	197.7
Region IV:							
Dist. of Col.	44,417	+276	723,566	512,593	210,973	447,215	87.2
Md.	116,944	-4,353	3,365,577	2,798,082	567,495	7,718,131	275.8
N. C.	114,507	+2,654	4,167,676	3,622,308	545,368	1,513,663	41.8
Va.	67,925	+857	2,524,254	2,201,918	322,336	1,667,467	75.7
W. Va.	66,758	-572	2,631,120	2,295,562	335,558	3,203,660	139.5
Region V:							
Ky.	90,015	+486	2,694,719	2,266,741	427,978	2,130,270	94.0
Mich.	218,142	-13,235	9,783,553	8,743,999	1,039,554	23,018,589	263.3
Ohio	468,593	-1,294	15,026,256	12,773,373	2,252,883	16,320,642	127.8
Region VI:							
Ill.	490,582	-9,337	12,141,349	9,769,416	2,371,933	21,478,194	219.9
Ind.	174,220	-3,632	3,954,138	3,132,364	821,774	7,586,625	242.2
Wis.	187,923	-97	2,190,723	1,288,938	901,393	2,286,868	177.4
Region VII:							
Ala.	57,278	-2,045	1,793,385	1,517,410	275,975	3,838,413	253.0
Fla.	60,895	+1,406	2,660,031	2,371,922	288,109	1,253,739	52.9
Ga.	81,452	+1,446	3,130,715	2,743,814	386,901	1,684,759	61.4
Miss.	28,968	+1,142	1,683,335	1,546,512	136,823	541,593	35.0
S. C.	41,739	+971	1,455,258	1,250,098	196,160	484,671	38.5
Tenn.	88,749	+742	4,267,333	3,844,793	422,630	3,525,507	91.7
Region VIII:							
Iowa	64,714	+872	2,025,059	1,718,602	306,457	1,153,023	67.1
Minn.	94,600	+494	3,889,933	3,444,219	445,714	3,393,909	98.5
Nebr.	26,865	+46	681,031	552,826	128,205	635,362	114.9
N. Dak.	5,600	+132	204,092	178,151	25,941	72,340	40.6
S. Dak.	6,810	+106	148,461	115,995	32,466	42,605	36.7
Region IX:							
Ark.	31,266	+588	1,324,287	1,177,000	147,287	737,798	62.7
Kans.	50,600	-1,000	1,648,852	1,404,966	243,886	2,648,444	188.5
Mo.	156,859	-447	5,118,205	4,382,898	755,307	5,565,540	127.6
Okl.	42,455	-1,790	1,162,722	967,579	195,145	2,952,717	305.2
Region X:							
La.	78,322	-918	2,541,556	2,166,752	374,804	3,459,461	159.7
N. Mex.	11,479	+485	575,025	520,821	54,204	89,625	17.2
Tex.	153,741	-732	4,261,617	3,521,651	739,906	4,065,912	141.8
Region XI:							
Colo.	37,832	+886	1,305,390	1,125,563	179,827	410,184	37.2
Idaho	16,342	+542	781,379	704,382	76,997	239,841	33.7
Mont.	20,529	+677	1,055,092	959,190	95,902	378,093	39.4
Utah	26,768	+71	1,397,666	1,270,053	127,613	1,327,142	104.5
Wyo.	8,734	+212	321,466	280,012	41,454	109,078	39.0
Region XII:							
Ariz.	\$ 20,486	(9)	7,813,927	7,716,817	97,110	7,312,551	43.6
Calif.	\$ 721,149	(9)	741,887,444	738,495,045	3,392,399	73,565,920	87.2
Nev.	11,015	+220	404,002	351,825	52,177	184,026	52.3
Oreg.	66,491	-3,328	2,783,320	2,458,597	324,723	6,111,455	248.6
Wash.	138,179	-5,640	7,615,914	6,932,182	683,732	13,255,973	191.2
Territories:							
Alaska	8,529	+68	200,099	159,652	40,447	131,743	82.5
Hawaii	19,275	+395	432,008	340,452	91,566	37,119	10.9

¹ Data reported by State agencies except interest, which is credited and reported by Treasury.

² Represents sum of balances at end of month in State clearing account and benefit-payment account and in State account in Federal unemployment trust fund.

³ Represents contributions, penalties, and interest collected from employers, and contributions from employees. Adjusted for refunds and for dishonored contribution checks. Current contribution rates (percent of taxable wages) are: for employers, 2.7 percent except in Michigan, where rate is 3.0 percent; for employees, 1.0 percent in Alabama, California, and New Jersey and 0.5 percent in Rhode Island.

Experience rating, operative in 45 States, modifies above rates. All States collect contributions either wholly or in part on quarterly basis.

⁴ Interest represents earnings of funds in State accounts in Federal unemployment trust fund and is credited at end of each quarter.

⁵ Net: adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁶ As of May 31, 1946, in Arizona and California.

⁷ Excludes June data for Arizona and California.

⁸ Includes estimated data for Arizona and California.

⁹ Comparable data not available.

labor disputes, particularly in the Minneapolis-St. Paul area. Considerable unemployment was caused by lay-offs in the meat-packing industry, however.

Nebraska was the only State in which benefits exceeded collections in the quarter ended June 30.

Region IX.—Both types of claims as well as the average weekly number of beneficiaries were lower than in May in all four States.

Initial claims in Arkansas dropped only 200, as many claims were filed by active claimants for the new benefit year beginning July 1. Continued claims, however, declined from 66,400 to 50,700.

The drop in Missouri's initial claims, from 22,900 to 18,600, would have been much greater but for a labor dispute in the Marshall area. Continued claims dropped from 165,600 to 137,000, but a shut-down in an automobile plant in the Kansas City area, caused by material shortages, prevented further declines.

In Oklahoma, initial claims fell off slightly, but continued claims dropped from 70,200 to 55,000. Scarcity of all kinds of materials contributed to the continued-claims load.

Arkansas paid 63 cents in benefits for every dollar collected during the quarter ended June 30. In the other States, benefit expenditures exceeded collections; in Oklahoma the ratio was 305 percent.

Region X.—Initial and continued claims were below the May levels in all three States, and the ratio of unemployment also dropped in all three. Louisiana's ratio of 5.7 percent was the only one above the national average.

In Texas, initial claims declined slightly, while continued claims dropped from 85,500 to 67,000. This slackening-off was attributed to several factors: many claimants who first filed soon after V-day are now exhausting benefit rights; the seafood industry in the coastal areas has recently absorbed many of the unemployed; there is increased activity in lumbering and highway and building construction; comparatively few persons are now unemployed as a result of labor disputes; and textile mills as well as users of agricultural labor are increasing their personnel.

Benefit expenditures exceeded col-

lections in Louisiana and Texas during the quarter ended June 30, but in New Mexico only 17 cents was paid in benefits for every dollar collected.

Region XI.—The unemployment ratio dropped in 4 States, and was below the national average in all 5. The average weekly number of beneficiaries increased only in Colorado, and that increase was less than 100. Initial and continued claims were below the May levels in all States except Idaho, which reported a small rise in initial claims.

Part of the decline in continued claims in Colorado, from 21,900 to 17,700, was due to the volume of waiting-period claims in May from miners involved in a labor dispute.

In Utah continued claims dropped from 24,100 to 15,800 as a result of the settlement of the metal-mine labor dispute, general seasonal factors, and exhaustion of benefit rights towards the end of the benefit year.

In Wyoming, all initial and continued claims declined somewhat, but additional claims and waiting-period claims increased after a coal mine shut down in the Worland area. The majority of the employees involved had filed new claims in February but resumed employment before serving their waiting period.

Utah was the only State to report an excess of benefits over collections during the quarter ended June 30. In the other four States the collections were more than double the benefit amounts.

Region XII.—Unemployment, in terms of the ratio of continued claims to covered employment, was well above the national average in California, Oregon, and Washington, and considerably below it in Arizona and Nevada. Both types of claims dropped in all five States. The declines in continued claims ranged from 22 percent in California to 43 percent in Oregon.

Nearly half the drop of 4,400 in Arizona's continued claims was accounted for by the smaller number of interstate claims received as agent State. The majority of these claimants are finding employment rather than exhausting benefit rights.

In California, initial claims dropped from 86,000 to 71,300, while continued claims dropped from 807,400 to 633,100. Both types of claims have declined each month since March.

In Oregon a steady rise in employment, both seasonal and contraseasonal, was the chief factor in the drop from 8,000 to 5,900 in initial claims and from 113,500 to 64,900 in continued claims. Exhaustion of benefit rights by 7,900 claimants during the month also contributed to the de-

Table 6.—*Unemployment in June 1946 as reflected by continued claims for unemployment insurance¹ as percent of average monthly covered employment in 1945*

Region and State	Claims	Average monthly covered employment ² (in thousands)	Claims as percent of covered employment
Total	1,423,104	27,903.1	5.1
Region I:			
Connecticut	22,339	564.0	4.0
Maine	8,735	156.4	5.6
Massachusetts	50,815	1,314.7	4.5
New Hampshire	1,895	107.7	1.8
Rhode Island	16,803	212.5	7.9
Vermont	1,795	55.7	3.2
Region II-III:			
Delaware	2,522	75.7	3.3
New Jersey	72,733	1,116.0	6.5
New York	182,479	3,760.9	4.9
Pennsylvania	119,397	2,601.7	4.6
Region IV:			
District of Columbia	2,323	188.7	1.2
Maryland	27,754	465.8	6.0
North Carolina	13,341	524.1	2.5
Virginia	17,340	416.2	4.2
West Virginia	22,299	325.9	6.8
Region V:			
Kentucky	22,576	308.2	7.3
Michigan	138,436	1,354.8	10.2
Ohio	68,199	1,857.2	3.7
Region VI:			
Illinois	118,587	2,067.9	5.7
Indiana	25,863	779.1	3.3
Wisconsin	15,551	638.2	2.4
Region VII:			
Alabama	21,188	394.0	5.4
Florida	9,724	317.6	3.1
Georgia	10,862	453.5	2.4
Mississippi	5,502	155.0	3.5
South Carolina	4,330	247.1	1.8
Tennessee	23,839	465.8	5.1
Region VIII:			
Iowa	7,314	288.1	2.5
Minnesota	18,788	455.7	4.1
Nebraska	3,220	138.0	2.3
North Dakota	965	29.7	3.2
South Dakota	818	37.1	2.2
Region IX:			
Arkansas	13,807	193.0	7.2
Kansas	11,552	223.6	5.2
Missouri	35,452	698.4	5.1
Oklahoma	20,555	241.2	8.5
Region X:			
Louisiana	20,301	356.8	5.7
New Mexico	1,547	59.8	2.6
Texas	17,064	958.0	1.8
Region XI:			
Colorado	4,365	157.6	2.8
Idaho	1,570	66.6	2.4
Montana	3,049	71.1	4.3
Utah	4,142	96.1	4.3
Wyoming	552	39.6	1.4
Region XII:			
Arizona	3,375	81.4	4.1
California	164,036	1,973.1	8.3
Nevada	1,017	229.2	3.5
Oregon	19,145	279.0	6.9
Washington	34,243	505.6	6.8

¹ Estimated number of continued claims in week in which the 8th of the month falls.

² Represents workers in covered employment in the pay period of each type (weekly, semimonthly, etc.) ending nearest the 15th of the month.

crease. Most of these were former shipyard workers in the Portland area. Increased employment in harvesting and in construction and lumber industries reduced the claims load all over the State.

Washington's claims load fell about one-fourth below the May levels as jobs in agriculture and food processing opened up. Initial claims went from 12,400 to 9,400 and continued claims from 189,600 to 139,900. The construction industry made limited gains but was hampered by material shortages. The anticipated reopening of the aluminum plants in Spokane and additional hiring at the Coulee Basin project did not materialize in June. Many claimants who had moved into the area in anticipation of work have moved on.

Oregon and Washington were the only States in which benefit payments exceeded collections during the quarter ended June 30.

Interstate Claims

During June, approximately 7 percent of the initial claims taken in local offices were interstate claims received as agent State (table 2). In Arizona, Nevada, New Mexico, and North Dakota, more than 40 percent of the initial claims were received as agent State. In Michigan, New York, Pennsylvania, and Rhode Island, on the other hand, agent claims constituted less than 5 percent of the initial claims in June. For the country as a whole, continued claims received as agent State constituted about 9 percent⁴ of all continued claims received (table 3). In New Mexico, North Dakota, and Arkansas the percentages were 78, 72, and 67, respectively. In eight other States, by contrast, less than 5 percent were agent State claims.

During May, initial interstate claims dropped from 81,400 to 64,300 (table 7), the lowest level reached in any month of 1946. More than three-fourths of the decline was represented by a drop of 13,000 in Maryland, which had received a large volume of initial claims as liable State in April at the

beginning of the new benefit year. California, Illinois, Texas, and Washington accounted for more than 40 percent of all initial claims received as liable State but were agent State for less than 20 percent of the claims—an indication that more migrant workers left the State than entered it. California's 11,800 liable claims were from every State in the country except South Carolina, with some con-

centration in Arkansas, Oklahoma, and Texas. As a general rule, however, the bulk of the State's liable claims were from contiguous States.

Continued interstate claims received as liable State also declined for the Nation during May, from 702,300 to 636,000 (table 7). Nearly \$7.1 million was paid on these claims to compensate 388,500 weeks of unemployment. California and Maine were not

Table 7.—*Interstate claims received, weeks compensated by interstate payments, and amount of interstate benefit payments, by liable State, May 1946*

[Data reported by State agencies; corrected to July 15, 1946]

Region and liable State	Initial		Continued		Weeks compensated	Benefit payments
	Total	Women	Total	Women		
				1	2	
Total	64,286	27,942	636,041	272,025	1 388,508	1 \$7,052,906
Region I:						
Connecticut	1,609	742	13,855	6,201	9,913	211,750
Maine	171	85	931	441	(2)	(2)
Massachusetts	918	503	5,292	2,534	3,987	82,219
New Hampshire	102	50	784	316	682	8,247
Rhode Island	496	227	5,010	1,982	4,860	83,684
Vermont	196	44	723	314	485	8,866
Region II-III:						
Delaware	316	87	1,714	638	1,543	26,172
New Jersey	1,630	791	15,796	7,535	13,308	273,939
New York	2,045	1,074	22,029	12,294	24,670	475,623
Pennsylvania	2,331	712	15,939	5,782	7,745	142,995
Region IV:						
District of Columbia	535	261	2,992	1,667	1,941	33,776
Maryland	1,663	760	33,702	15,718	31,021	608,835
North Carolina	472	251	3,989	2,388	3,024	38,442
Virginia	1,565	781	6,345	3,007	2,810	38,371
West Virginia	695	149	5,755	1,555	3,035	48,157
Region V:						
Kentucky	346	96	5,578	2,177	3,569	47,206
Michigan	2,869	1,244	27,355	11,749	19,007	376,410
Ohio	2,286	781	35,531	14,126	22,409	438,960
Region VI:						
Illinois	6,332	3,037	37,305	19,266	23,197	438,884
Indiana	2,295	691	23,886	6,648	23,224	442,355
Wisconsin	437	169	3,797	1,161	3,130	58,561
Region VII:						
Alabama	766	263	9,368	2,347	8,530	157,530
Florida	1,374	615	8,052	3,729	5,708	80,350
Georgia	743	412	5,998	3,488	4,468	69,150
Mississippi	301	142	2,369	1,200	1,563	20,564
South Carolina	212	101	1,581	901	741	11,266
Tennessee	1,831	548	22,304	7,004	15,692	221,683
Region VIII:						
Iowa	297	147	1,967	736	1,495	24,825
Minnesota	415	192	3,772	1,812	2,956	48,901
Nebraska	303	176	2,621	1,589	2,128	33,801
North Dakota	28	8	227	86	159	2,877
South Dakota	38	25	164	107	94	1,334
Region IX:						
Arkansas	463	168	2,567	1,319	1,733	21,379
Kansas	1,501	567	19,795	7,817	19,233	293,757
Missouri	1,511	888	15,844	9,243	10,709	175,724
Oklahoma	858	432	9,100	4,659	6,751	113,518
Region X:						
Louisiana	750	266	6,461	2,508	5,234	84,844
New Mexico	203	82	1,179	486	851	11,502
Texas	5,051	2,041	19,441	7,242	18,292	301,608
Region XI:						
Colorado	569	331	2,920	1,719	1,427	19,388
Idaho	114	61	3,499	1,157	499	7,753
Montana	57	27	781	330	505	7,952
Utah	259	110	1,766	582	1,417	32,742
Wyoming	121	44	1,146	374	726	13,782
Region XII:						
Arizona	498	200	3,076	1,433	2,485	35,282
California	11,834	5,597	146,013	61,135	(3)	(3)
Nevada	184	90	1,507	706	1,324	23,669
Oregon	871	399	28,336	13,334	24,286	408,000
Washington	3,529	1,441	45,197	18,199	43,047	898,558
Territories:						
Alaska	270	22	3,101	178	2,334	37,000
Hawaii	46	12	581	106	461	10,715

⁴ This ratio is not comparable in all States, however, since 12 States take interstate continued claims on a biweekly basis while all interstate claims are taken on a single-week basis.

¹ Excludes California and Maine; data not reported.

² Data not available.

³ Estimated by State agency.

included in the data for amount paid and number of weeks compensated, since figures for these States were not available when the tabulations were prepared.

Veterans' Readjustment Allowances

Initial claims from veterans for unemployment allowances increased during May—the first monthly rise since January. In Minnesota and Virginia the coal strike was the chief factor in the increased claims load, while in North Dakota curtailment of work in flour mills and meat-pack-

ing plants was chiefly responsible. By the middle of May, several States reported declines in initial claims because of resumption of work in the mining, transportation, and electrical industries. Further decreases were reported in the last week of May so that the increase of 7 percent for the month was less than had been expected at the beginning of the month.

Expenditures for allowances decreased in each successive week in May, and the month's total of \$155 million was about 3 percent less than in April and the first monthly decline

since May 1945. Thirty-three States shared in the decline, with Idaho reporting a decrease of 39 percent, Texas, 30, and New Hampshire, 29 percent.

Time Lapse in Benefit Payments, January–March 1946

During the first 3 months of 1946 the time required for issuing benefit payments was shortened in a few States, while in others many of the difficulties that existed in the preceding quarter still persisted and the promptness in the payment of benefits continued to decline. Procedural difficulties brought about by the increase in volume of payments during the preceding 6 months were aggravated by an even greater volume in January–March than in October–December. In order to speed payments, some States changed their procedures in the light of experience gained in the fourth quarter of 1945. The effect of these changes will become apparent later.

Claims-taking on a biweekly basis, inaugurated last fall to lessen the work load, was still in effect throughout the quarter in 11 States. Consequently, the time lapse for many benefit payments in these 11 States is 1 week greater than if they were taken on a weekly basis. Wholesale layoffs, resulting in the filing of a large volume of claims in a short period of time, strained the claims-processing facilities in many States and delayed the issuing of benefit payments.

In several States, backlogs of claims originating in the preceding quarter, when record claims loads were first received, prevented an improvement in time-lapse records. Many States processed as many claims as were currently received, but a sizable proportion of these claims had been received in the preceding quarter. Thus the time lapse was greater in some States than would be expected from the number of claims received and the volume of payments made within the quarter. A large proportion of appeals cases originating from claims filed in October–December were disposed of during this quarter, and the time lapse on these cases is included in the January–March

Table 8.—Claims and payments for veterans' unemployment allowances, May 1946¹

State ²	Initial claims	Continued claims			Weeks compensated	Payments
		Total	Because of unemployment	Because of illness or disability		
Total	740,692	7,600,145	7,634,063	56,052	7,786,373	\$155,175,405
Alabama	12,079	141,203	140,399	804	148,903	2,973,136
Alaska	84	977	965	12	1,178	23,418
Arizona	3,837	28,208	27,627	581	30,021	597,762
Arkansas	6,710	119,295	118,402	893	126,688	2,529,429
California	50,186	407,462	402,814	4,648	409,300	8,150,470
Colorado	5,379	36,999	36,756	243	34,580	685,982
Connecticut	10,757	107,109	105,862	1,247	105,803	2,108,508
Delaware	1,579	13,620	13,624	6	13,651	271,270
District of Columbia	3,768	30,575	30,203	372	27,462	547,745
Florida	10,279	83,255	82,603	652	78,929	1,576,385
Georgia	13,403	160,323	159,221	1,102	156,470	3,123,906
Hawaii	91	382	377	5	374	7,439
Idaho	912	7,496	7,439	57	8,123	161,248
Illinois	53,467	385,662	384,478	1,184	385,616	7,647,629
Indiana	25,894	186,001	185,220	781	175,450	3,489,378
Iowa	8,153	68,735	68,074	681	68,043	1,352,336
Kansas	8,213	74,193	73,360	833	71,573	1,423,380
Kentucky	13,661	280,805	280,176	629	278,885	5,571,268
Louisiana	11,766	65,561	65,541	20	129,075	2,594,281
Maine	3,401	52,534	52,093	441	50,615	1,005,811
Maryland	7,088	113,918	113,610	209	113,820	2,270,336
Massachusetts	27,881	358,714	355,762	2,952	351,657	7,011,087
Michigan	51,494	377,671	373,526	4,145	370,010	7,367,524
Minnesota	13,436	77,898	77,504	394	151,148	3,000,235
Mississippi	5,855	60,790	59,921	869	47,010	938,066
Missouri	19,458	258,075	256,804	1,271	245,452	4,892,205
Montana	2,541	21,556	21,439	117	20,350	405,343
Nebraska	2,531	18,216	18,064	152	18,128	358,074
Nevada	716	3,125	3,094	31	3,229	64,153
New Hampshire	2,441	19,193	18,907	286	19,294	383,540
New Jersey	25,934	355,710	353,525	2,185	329,022	6,569,931
New Mexico	2,452	24,674	24,412	262	26,029	519,746
New York	106,202	977,604	968,006	9,598	947,140	18,880,910
North Carolina	13,145	118,732	116,586	2,146	121,000	2,415,830
North Dakota	1,092	9,054	8,961	93	9,806	194,340
Ohio	25,111	346,039	344,382	1,657	334,336	6,654,694
Oklahoma	10,736	127,629	127,052	577	132,241	2,639,321
Oregon	6,171	40,842	40,526	316	39,653	787,715
Pennsylvania	64,963	946,057	942,453	3,584	870,611	17,395,112
Puerto Rico	5,877	130,264	127,649	2,615	135,755	2,713,555
Rhode Island	3,973	48,389	48,007	382	48,316	964,428
South Carolina	8,153	72,896	71,364	1,532	70,800	1,412,328
South Dakota	1,188	10,610	10,570	40	10,675	212,257
Tennessee	13,049	217,811	216,672	1,139	206,643	4,130,671
Texas	23,387	166,568	165,315	1,253	322,195	6,424,481
Utah	3,155	27,386	27,114	272	28,091	558,575
Vermont	1,114	9,349	9,280	69	8,996	177,681
Virginia	9,740	112,928	112,363	565	105,743	2,058,672
Washington	8,758	59,667	59,426	241	56,567	1,120,116
West Virginia	13,430	236,983	236,283	700	232,136	4,638,463
Wisconsin	15,352	108,474	107,463	1,011	106,454	2,109,261
Wyoming	652	2,938	2,810	128	3,307	65,383

¹ Represents activities under provisions of title V of the Servicemen's Readjustment Act of 1944; excludes data for self-employed veterans.

² Includes Puerto Rico.

Source: Data reported to Readjustment Allowance Service, Veterans Administration, by unemployment compensation agencies in 48 States, the District of Columbia, Alaska, and Hawaii, and by Veterans' Administration for Puerto Rico.

data. The problem of adequate personnel seems to have been less acute in some States, as former staff members have returned from the armed

services, but the lack of machine equipment, particularly check-writing machines, was still a major problem in several States.

Table 9.—Number of first and second and subsequent intrastate benefit payments for total unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State, January–March 1946

Region and State	First payments		Second and subsequent payments			
	Number	Percent of payments issued—		Number		
		Within 2 weeks	In 6 weeks or more			
Total	1,217,379	61.3	7.2	16,834,798	77.7	
Region I:						
Connecticut	20,171	37.5	10.2	319,716	32.7	
Maine ²						
Massachusetts	37,008	86.9	3.1	470,982	97.6	
New Hampshire	1,299	77.1	1.8	11,484	90.4	
Rhode Island	14,608	66.5	3.2	180,609	92.6	
Vermont	880	77.2	3.3	13,946	95.6	
Region II–III:						
Delaware	2,521	91.4	1.2	37,918	98.8	
New Jersey	78,829	51.6	17.9	1,404,306	83.1	
New York	145,166	70.1	2.4	2,579,434	84.9	
Pennsylvania	172,405	82.3	3.6	1,428,765	90.3	
Region IV:						
District of Columbia	1,866	23.6	5.6	12,499	72.2	
Maryland	21,696	96.5	6	302,163	95.1	
North Carolina	6,516	55.3	9.5	61,957	74.6	
Virginia	8,768	78.3	2.4	73,230	81.7	
West Virginia	10,869	71.3	7.5	138,083	88.7	
Region V:						
Kentucky	6,822	2.3	32.5	123,239	16.6	
Michigan	70,676	46.8	10.3	1,255,898	77.8	
Ohio	53,209	8.1	22.6	1,052,026	65.0	
Region VI:						
Illinois	69,884	35.4	10.2	1,194,902	41.8	
Indiana	27,108	15.3	7.7	422,253	32.6	
Wisconsin	11,761	73.7	5.1	166,176	92.0	
Region VII:						
Alabama	17,558	55.0	7.8	295,280	93.6	
Florida	9,758	46.1	20.2	80,456	73.4	
Georgia	10,309	76.8	3.9	159,660	92.7	
Mississippi	3,506	79.9	2.3	30,208	84.1	
South Carolina	2,379	59.1	6.1	21,922	89.4	
Tennessee	22,005	18.2	19.1	246,096	24.4	
Region VIII:						
Iowa	7,505	35.4	12.4	91,300	80.4	
Minnesota	17,812	72.2	6.2	199,116	77.5	
Nebraska	3,545	66.6	5.1	32,218	88.6	
North Dakota	572	87.8	3.7	5,857	93.8	
South Dakota	470	63.4	4.5	2,793	87.3	
Region IX:						
Arkansas	9,185	25.5	2.3	74,134	63.6	
Kansas	11,102	74.1	8.0	173,707	77.7	
Missouri	36,332	64.9	12.4	368,103	83.7	
Oklahoma	12,848	42.9	4.6	183,051	55.0	
Region X:						
Louisiana	11,431	5.1	6.7	244,136	16.3	
New Mexico	436	56.0	4.6	2,547	83.3	
Texas	25,441	28.2	10.3	119,018	67.5	
Region XI:						
Colorado	3,026	82.9	2.0	16,334	93.9	
Idaho	2,110	66.9	4.7	13,908	83.6	
Montana	3,610	97.0	.4	25,583	97.8	
Utah	4,435	73.9	.8	49,959	95.6	
Wyoming	515	57.9	3.9	2,007	63.7	
Region XII:						
Arizona	2,781	84.2	1.4	25,358	93.9	
California	147,212	92.3	2.1	2,285,652	96.7	
Nevada	958	89.7	1.2	7,821	92.9	
Oregon	48,900	32.1	3.0	306,948	80.9	
Washington	37,764	79.2	3.9	519,188	91.4	
Territories:						
Alaska	695	88.2	.6	3,842	98.1	
Hawaii	27	51.9	0	110	92.7	

¹ Represents number of weeks elapsed between the end of the benefit period and the date of payment. The benefit period for total unemployment is 1 week in all States except Texas, where it is 2 weeks.

² Excludes Maine; data not reported.

³ Since Wisconsin State law does not provide for a benefit year, figure represents number of first payments in connection with each spell of unemployment.

For the Nation as a whole, the proportion of intrastate payments for total unemployment issued within 2 weeks was about the same as in the

Table 10.—Number of first and second and subsequent interstate benefit payments for all types of unemployment, and percent of payments issued within 2 weeks and in 6 weeks or more,¹ by State, January–March 1946

Region and State	First payments		Second and subsequent payments			
	Number	Percent of payments issued—		Number		
		Within 2 weeks	In 6 weeks or more			
Total	108,343	20.5	26.2	1,588,335	28.0	
Region I:						
Connecticut	2,047	27.2	17.0	43,491	45.2	
Maine ²						
Massachusetts	1,193	38.8	15.7	14,463	76.0	
New Hampshire	87	44.8	10.3	1,589	85.3	
Rhode Island	1,251	57.1	4.3	14,282	62.5	
Vermont	116	63.8	8.6	1,655	91.0	
Region II–III:						
Delaware	314	64.3	3.5	6,058	89.3	
New Jersey	2,905	28.8	24.7	57,372	43.3	
New York	4,908	33.4	13.4	93,494	42.8	
Pennsylvania	2,209	36.5	11.0	29,255	57.4	
Region IV:						
District of Columbia	430	4.7	26.0	4,079	32.4	
Maryland	4,061	80.6	6.4	93,477	83.8	
North Carolina	635	40.0	10.2	9,749	67.0	
Virginia	1,382	29.2	11.5	10,133	38.1	
West Virginia	736	.7	56.5	11,591	31.6	
Region V:						
Kentucky	525	.2	53.0	7,194	.2	
Michigan	4,560	3.7	66.2	122,665	10.1	
Ohio	3,011	.3	54.5	72,928	.3	
Region VI:						
Illinois	4,054	2.0	39.7	67,108	3.3	
Indiana	3,720	0	98.9	78,156	0	
Wisconsin	3,175	24.0	49.7	13,775	61.0	
Region VII:						
Alabama	1,833	35.6	10.6	31,293	58.5	
Florida	1,760	54.0	7.7	19,655	68.2	
Georgia	1,226	54.9	8.2	15,552	72.6	
Mississippi	447	57.5	3.6	4,513	69.5	
South Carolina	150	50.0	8.7	1,417	68.6	
Tennessee	5,667	22.1	19.6	55,174	22.9	
Region VIII:						
Iowa	382	5.8	27.5	5,023	11.5	
Minnesota	598	6.5	38.8	7,025	49.9	
Nebraska	562	45.9	8.0	5,783	69.2	
North Dakota	62	61.3	3.2	493	68.0	
South Dakota	40	32.5	12.5	214	41.6	
Region IX:						
Arkansas	689	23.9	4.1	4,523	41.9	
Kansas	4,771	18.7	10.7	77,286	3.0	
Missouri	2,009	45.5	18.9	30,049	60.3	
Oklahoma	1,212	14.9	10.1	15,074	33.3	
Region X:						
Louisiana	1,061	25.8	12.0	17,565	54.7	
New Mexico	187	27.3	9.6	1,271	57.7	
Texas	2,367	.6	39.6	9,687	6.8	
Region XI:						
Colorado	353	42.5	4.2	2,378	63.0	
Idaho	214	25.2	11.7	1,880	45.6	
Montana	230	82.2	1.3	1,624	.3	
Utah	323	43.7	0.6	3,028	65.1	
Wyoming	238	47.1	6.3	1,234	55.1	
Region XII:						
Arizona	676	26.3	21.3	5,800	29.4	
California	23,327	8.8	32.0	307,065	11.0	
Nevada	277	83.0	1.8	2,665	85.1	
Oregon	8,889	6.3	17.2	53,433	22.1	
Washington	9,275	18.7	9.6	146,409	21.6	
Territories:						
Alaska	537	48.0	.9	8,136	45.4	
Hawaii	62	8.1	16.1	402	12.2	

¹ Represents number of weeks elapsed between the end of the benefit period and the date of payment. The benefit period for total unemployment is 1 week in all States except Texas, where it is 2 weeks.

² Excludes Maine; data not reported.

³ Since Wisconsin State law does not provide for a benefit year, figure represents number of first payments in connection with each spell of unemployment.

preceding quarter. Interstate payments, however, were made less promptly than in October-December.

Intrastate Benefit Payments for Total Unemployment

First payments.—In the January-March quarter, 61 percent of all intrastate first payments were made within 2 weeks, the same proportion as in the preceding quarter, although the number dropped from 1.3 million to 1.2 million. Only 10 States made a larger relative number of first payments within 2 weeks, although the proportions in 5 of these 10 States were still below the national average.

Five States—California, Delaware, Maryland, Montana, and Nevada—issued 90 percent or more of their first payments within the 2-week period, as they had done in each quarter of 1945. California had the second largest volume of this type of payment, 147,200. Pennsylvania, with the largest number of first payments, 172,400, issued 82 percent within 2 weeks. In all, 15 States made less than half their first payments within 2 weeks, and 6—the District of Columbia, Indiana, Kentucky, Louisiana, Ohio, and Tennessee—made less than a fourth.

In several States the proportion of intrastate first payments made within 2 weeks dropped considerably from the preceding quarter. In Kentucky the proportion dropped from 63 to 2 percent. Other large decreases occurred in Arkansas—79.1 to 25.5 percent; in Louisiana—51.9 to 5.1 percent; in Texas—73.2 to 28.2 percent; and in Oregon—74.2 to 32.1 percent. Three States—Florida, Kentucky, and Ohio—made 20 percent or more of their intrastate first payments 6 weeks or more after the end of the compensable period. The national average was 7 percent.

Second and subsequent payments.—The number of intrastate second and subsequent payments rose from 14.3 million to 16.8 million during the quarter. The percentage of these payments made within 2 weeks remained almost the same, 78 as compared with 79. Each of 7 States—California, Illinois, Michigan, New Jersey, New York, Pennsylvania, and Ohio—made more than a million such payments, comprising about two-thirds of all payments of this type in

the Nation. Of these 7, only Illinois and Ohio paid less than 78 percent—the national average—within 2 weeks.

Twenty States made 90 percent or more of these payments within 2 weeks. Of these States, 16 had maintained that record in each quarter of 1945. Several States showed substantially decreased proportions of such payments. Eleven States showed a drop of 10 or more percentage points. In Arkansas, the proportion dropped from 87 to 64 percent; in Kentucky, from 84 to 17 percent; in Louisiana, from 63 to 16 percent; in Tennessee, from 46 to 24 percent; and in Wyoming, from 90 to 64 percent. On the other hand, 11 States increased the proportions of payments made within 2 weeks. Among them were Indiana, with a rise from 6 to 33 percent, and Oklahoma, from 43 to 55 percent. For the Nation as a whole, 3 percent of the second and subsequent intrastate payments were issued in 6 weeks and over. In Kentucky and Tennessee the proportions were 13 and 11 percent, respectively.

Intrastate Benefit Payments for All Types of Unemployment

First payments.—During the January-March quarter, 20 percent of the 108,300 interstate first payments were made within 2 weeks. This was a drop from the rate in the preceding quarter, when 26 percent of the 89,200 such payments were issued. Among the States, 11 bettered their record. In Georgia, for example, the proportion rose from 26 to 55 percent, and in New Jersey, from 19 to 29 percent. The proportions in 13 States, on the other hand, dropped 20 or more percentage points. In Oregon the drop was from 48 to 6 percent; the proportion in New Hampshire dropped 39 percentage points; in Virginia, 37; and in Idaho, 36. More than a fourth of all the interstate first payments in the Nation were not paid until 6 weeks or more after the compensable week. Indiana, Kentucky, Michigan, Ohio, and West Virginia required 6 weeks or more to make more than half their interstate first payments.

Second and subsequent payments.—Of the 1.6 million interstate second and subsequent payments issued in January-March, 28 percent were made within 2 weeks. The total number of these payments was more than

double that in the preceding quarter, when 36 percent were paid within 2 weeks.

Twelve States increased their promptness in issuing the checks. These 12 included Alabama, California, Maryland, Michigan, New York, and Washington—each of which reported more than 20,000 payments of this type. Of the 6 States issuing 80 percent or more within the 2-week period, only Delaware and Maryland made more than 5,000 such payments.

California, Michigan, and Washington reported more than 100,000

Table 11.—Nonfarm placements by State, June 1946

U. S. Employment Service region and State	Total	Women	Veterans ¹
Total	478,848	143,533	172,243
Region I:			
Connecticut	7,460	2,600	2,683
Maine	3,034	688	1,152
Massachusetts	8,529	2,765	3,642
New Hampshire	2,035	460	928
Rhode Island	2,602	993	983
Vermont	1,094	248	602
Region II:			
New York	74,846	34,154	14,332
Region III:			
Delaware	975	360	219
New Jersey	13,022	5,675	3,951
Pennsylvania	22,372	6,364	10,953
Region IV:			
District of Columbia	2,763	887	793
Maryland	6,110	1,598	2,232
North Carolina	10,430	2,590	4,289
Virginia	7,896	2,172	2,713
West Virginia	3,006	959	1,199
Region V:			
Kentucky	3,711	956	1,589
Michigan	15,835	2,901	7,872
Ohio	24,468	7,239	8,539
Region VI:			
Illinois	15,427	4,434	5,956
Indiana	8,574	2,895	3,027
Wisconsin	10,825	3,311	4,236
Region VII:			
Alabama	13,367	3,154	4,193
Florida	9,812	3,424	3,608
Georgia	9,488	2,319	3,864
Mississippi	4,403	1,070	1,868
South Carolina	5,100	1,295	1,916
Tennessee	8,200	2,752	2,819
Region VIII:			
Iowa	6,624	1,525	3,294
Minnesota	12,997	3,437	4,625
Nebraska	3,512	673	1,436
North Dakota	1,527	244	662
South Dakota	1,327	222	649
Region IX:			
Arkansas	7,047	1,932	2,285
Kansas	5,892	1,316	2,365
Missouri	9,999	3,293	3,582
Oklahoma	8,433	2,081	3,013
Region X:			
Louisiana	5,003	1,222	2,141
New Mexico	2,876	434	1,325
Texas	35,311	9,325	13,693
Region XI:			
Colorado	6,087	871	2,620
Idaho	3,404	610	1,567
Montana	2,367	231	1,057
Utah	2,556	504	1,127
Wyoming	1,231	160	577
Region XII:			
Arizona	3,895	836	1,350
California	41,930	11,314	16,616
Nevada	2,189	676	671
Oregon	9,041	1,998	3,775
Washington	10,156	2,366	3,705

¹ Represents placements of veterans of all wars.

Source: Department of Labor, U. S. Employment Service.

second and subsequent interstate payments, and the proportions of payments made within 2 weeks were 11, 10, and 22 percent, respectively. Illinois, Indiana, Kansas, Kentucky, and Ohio issued less than 5 percent within 2 weeks. As in the preceding period, Indiana made no such payments within 2 weeks.

The relative number issued within 2 weeks dropped as much as 20 percentage points in 10 States: from 65 to 32 in the District of Columbia; from 76 to 46 in Idaho; from 58 to 22 in Oregon; and from 76 to 38 in Virginia. Nineteen percent of all second and subsequent interstate payments were issued in 6 weeks or more. More than a fourth of these payments in Indiana, Kentucky, and Michigan were made after 6 weeks or more. California, with the greatest number of such payments, issued 23 percent after 6 weeks or more.

Nonfarm Placements

Nonfarm placements totaled 478,800 in June, 5 percent more than in May and a larger number than in any month since November 1945, when 484,200 placements were made. Of the 21 States where placements were less than in May, only 7 had declines of more than 10 percent. The only State reporting less than 1,000 placements during June was Delaware, where placements were 30.9 percent fewer than in May.

Placements of women rose as usual in June. In Minnesota, they were almost double those in May, and Oregon had more than half again as many. At the other extreme were Connecticut and Delaware, with declines of more than 20 percent.

In contrast to the 5-percent increase in all placements, veterans' placements declined by 5 percent. Placements of veterans increased in only 14 States as compared with increases in 20 States in May. Delaware made only 219 veterans' placements in June—30 percent fewer than in May. California, with the largest number of veterans' placements, reported an increase of 0.1 percent, while New York and Texas, each with more than 10,000 such placements, reported declines of 3.5 and 3 percent, respectively.

Old-Age and Survivors Insurance

Employers, Workers, and Taxable Wages, First Quarter, 1946

Total taxable wages in the first quarter of 1946 are estimated at \$16.6

billion, and average taxable wages, at \$482. In comparison with amounts in the corresponding quarter of 1945, these figures represent declines of 6.9 and 3.4 percent, respectively. The

Table 1.—Estimated number of employers and workers and estimated amount of taxable wages included under the old-age and survivors insurance program, by specified period, 1937-46

[Corrected to Aug. 1, 1946]

Year and quarter	Employers reporting taxable wages ¹ (in thousands)	Workers with taxable wages during period ² (in thousands)	Taxable wages ³	
			Total (in millions)	Average per worker
1937	2,421	32,904	\$29,615	\$900
1938	2,239	31,822	26,502	833
1939	2,366	33,751	29,745	881
1940	2,500	35,393	32,974	932
1941	2,646	40,976	41,848	1,021
1942	2,655	46,363	52,939	1,142
1943	2,394	47,656	62,423	1,310
1944	2,469	46,296	64,426	1,392
1945 ⁴	2,614	45,696	62,451	1,367
1938				
January-March	1,880	25,332	6,580	260
April-June	1,933	25,423	6,578	259
July-September	1,960	26,252	6,547	249
October-December	1,975	26,759	6,797	254
1939				
January-March	1,967	25,856	7,281	282
April-June	2,034	27,245	7,445	273
July-September	2,065	28,022	7,445	266
October-December	2,103	28,851	7,574	263
1940				
January-March	2,069	27,314	8,060	295
April-June	2,141	28,345	8,094	286
July-September	2,167	29,542	8,222	278
October-December	2,177	30,280	8,598	284
1941				
January-March	2,188	30,389	9,587	315
April-June	2,249	32,634	10,285	315
July-September	2,284	34,522	10,824	314
October-December	2,267	34,051	11,153	328
1942				
January-March	2,204	33,771	12,112	359
April-June	2,183	35,509	13,163	371
July-September	2,119	36,977	13,786	373
October-December	2,038	36,656	13,878	379
1943				
January-March	1,971	36,537	15,462	423
April-June	2,008	37,483	16,561	442
July-September	1,998	37,682	15,838	420
October-December	2,001	36,016	14,562	404
1944				
January-March	2,010	36,326	17,362	478
April-June	2,048	36,893	17,284	468
July-September	2,038	37,301	16,243	435
October-December	2,039	35,629	13,537	380
1945				
January-March ⁴	2,076	35,855	17,874	499
April-June ⁴	2,123	35,854	17,377	485
July-September ⁴	2,151	35,491	14,797	417
October-December	2,123	32,742	12,403	379
January-March ⁴	2,234	34,500	16,637	482

¹ Number corresponds to number of employer returns. A return may relate to more than 1 establishment if employer operates several separate establishments but reports for concern as a whole.

² Excludes estimated duplication arising from recording of wages of some workers under more than 1 account. Quarterly estimates exclude workers whose earnings in covered employment were not reported in the quarter because of the \$3,000 limitation on taxable wages.

³ Includes nontaxable wages erroneously reported and wages not counted in determining insurance benefits. Excludes all wages over \$3,000 a year paid to a worker by a single employer. Beginning with 1940 all wages in excess of \$3,000 a year received by any 1 worker are excluded in benefit computations.

⁴ Preliminary.

shorter workweek in manufacturing industries since V-day and the contraction of factory pay rolls because of work stoppages caused the decreases. The number of workers with taxable wages in the first quarter of 1946 is estimated at 34.5 million, or 3.8 percent less than in January–March 1945.

Approximately 2.2 million employers reported taxable wage payments in the quarter. This number was 7.6 percent more than in the first quarter of 1945 and 5.2 percent more than in the last quarter of 1945. The large number of new businesses and reorganizations since V-day accounts for the increase. The total was larger than in the first quarter of any previous year.

Monthly Benefits in Current-Payment Status, June 1946, and Benefits Awarded, April–June 1946

At the end of June, more than 1.5 million persons had monthly benefits in current-payment status (table 3). The net increase of 28,000 was less than for any month since August 1945. The 48,000 monthly benefit awards processed during the month represented 11 percent fewer than in May; the decrease was shared by all types of benefits except parent's benefits.

Of the \$32.4 million certified during June, \$30.1 million was for monthly benefits, including retroactive payments, and \$2.3 million for lump-sum death payments.

During the first 6 months of 1946, more than 302,000 monthly benefits were awarded. During each of the 2 quarters more benefits were awarded than in any previous quarter, largely because of the increase in the number of primary and wife's benefits awarded since the cessation of hostilities. More awards of these two types were made during the first 2 quarters than in the first 3 quarters of 1945. For widow's current and child's benefits the number of awards was considerably less than for the corresponding quarters of 1945, when there were many claims arising from war deaths.

Recomputation of Primary Benefits, 1945

A ruling of the Social Security Board on October 31, 1944, made provision for the recomputation of primary benefit amounts under certain

Table 2.—Number of monthly benefits and lump-sum death payments awarded, by type of benefit and by quarter, 1940–46

[Corrected to July 18, 1946]

Year and quarter	Monthly benefits							Lump-sum death payments ¹
	Total	Primary	Wife's	Child's	Widow's	Widow's current	Parent's	
1940								
Jan.–Mar.	40,780	28,211	4,366	5,978	168	2,057	0	7,046
Apr.–June	67,824	33,955	8,468	17,408	885	6,885	223	19,074
July–Sept.	76,113	38,245	11,981	17,220	1,560	6,782	325	23,793
Oct.–Dec.	70,267	31,924	9,740	18,776	1,987	7,536	304	25,182
1941								
Jan.–Mar.	74,567	32,802	9,901	20,597	2,703	8,227	337	30,633
Apr.–June	66,074	28,870	8,962	18,021	2,617	7,278	317	28,210
July–Sept.	65,593	27,238	8,898	18,745	2,786	7,632	294	29,610
Oct.–Dec.	63,052	25,741	8,452	18,256	2,914	7,365	324	28,850
1942								
Jan.–Mar.	68,181	27,609	9,161	19,596	3,505	8,027	283	33,410
Apr.–June	67,679	26,878	8,649	19,001	3,690	8,124	337	35,428
July–Sept.	62,161	23,826	8,013	18,894	3,475	7,624	329	32,932
Oct.–Dec.	60,095	21,309	7,427	18,903	4,104	8,035	317	33,221
1943								
Jan.–Mar.	67,750	23,754	8,112	21,503	4,975	9,078	328	40,525
Apr.–June	60,757	23,803	8,372	22,811	5,051	9,387	333	43,108
July–Sept.	63,501	21,378	7,896	20,764	4,695	8,476	292	39,485
Oct.–Dec.	61,857	20,135	7,536	20,541	4,855	8,479	311	39,893
1944								
Jan.–Mar.	75,807	25,474	9,401	23,978	6,416	10,225	313	47,342
Apr.–June	79,003	27,907	10,150	24,442	6,086	10,067	351	48,976
July–Sept.	78,976	27,607	10,066	24,589	5,804	10,559	351	52,444
Oct.–Dec.	85,163	29,109	10,732	26,667	6,453	11,798	404	56,415
1945								
Jan.–Mar.	104,064	35,613	12,587	33,025	7,730	14,689	420	65,695
Apr.–June	117,857	41,116	14,454	37,208	7,954	16,614	511	69,770
July–Sept.	106,782	44,493	14,908	28,058	6,821	12,096	406	54,750
Oct.–Dec.	133,766	63,950	21,131	29,218	7,337	11,711	419	56,797
1946								
Jan.–Mar.	147,236	72,384	23,554	30,092	8,805	12,006	395	64,182
Apr.–June	155,036	75,641	25,222	31,452	10,306	11,966	449	67,543

¹ Under 1939 amendments.

conditions if, because of wages from covered employment received by the primary beneficiary since he first became entitled to benefits, the recomputation would increase the original benefit award. No recomputations under this ruling were completed until February 1945, but by the end of the year more than 23,000 primary benefit amounts had been recomputed. A tabulation of recomputed primary benefits shows that:

1. The average increase in amount of those primary benefits affected by recomputation was a little more than \$3. In some instances, however, the increase was as much as \$15 or more.

2. The great majority of the recomputed primary benefits were those of a beneficiary who had very recently left employment or reemployment and had his benefit reinstated. There

were comparatively few instances in which primary benefits that had been reinstated several months in the past—say in 1944 or 1943—had been recomputed.

3. Recomputation was made in about one-third of the total number of cases in which a primary beneficiary left work in 1945 and had his benefit reinstated.

4. Recomputation was relatively more common for primary beneficiaries who had been awarded their primary benefits before the war and whose benefits were below the average amount. These were workers who were generally low paid or irregularly employed before entitlement and for whom wartime employment opportunities represented a windfall. Persons who had worked steadily throughout the prewar period and did not become

primary beneficiaries until some time during the war years were often workers forced by disability to give up their jobs; such beneficiaries were relatively unlikely to return to work or, even if they did, to have their benefit amounts increased by the wage credits from re-employment.

5. The over-all average amount

of primary benefits in force was increased by only about 12 cents during the year as the result of recomputations, since the recomputed benefits formed only a small proportion of the total number of primary benefits in force.

Since 1945 was the first year in which recomputation actions were

completely processed, the data for that year should not be regarded as necessarily typical. Recomputations during recent months have been more numerous than in the corresponding months of 1945, but the average increase in the primary benefit amount in recomputed cases has declined to less than \$3.

Table 3.—*Monthly benefits in current-payment status¹ at the end of the month, by type of benefit and month, June 1945-June 1946, and monthly benefit actions, by type of benefit, June 1946*

[Amounts in thousands; data corrected to July 18, 1946]

Item	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Monthly benefits in current-payment status at end of month:														
1945														
June	1, 106, 002	\$20, 162. 8	430, 723	\$10, 310. 6	132, 155	\$1, 680. 6	348, 413	\$4, 324. 1	81, 500	\$1, 642. 4	107, 597	\$2, 131. 7	5, 614	\$73. 4
July	1, 128, 103	20, 609. 3	440, 902	10, 575. 6	135, 493	1, 725. 5	351, 905	4, 361. 2	83, 711	1, 686. 8	110, 371	2, 185. 5	5, 721	74. 7
August	1, 150, 767	21, 070. 9	451, 662	10, 852. 8	138, 700	1, 769. 4	356, 318	4, 416. 1	85, 666	1, 726. 9	112, 603	2, 229. 7	5, 818	76. 0
September	1, 180, 021	21, 648. 4	464, 720	11, 186. 7	142, 736	1, 823. 3	364, 319	4, 521. 9	87, 461	1, 763. 5	114, 875	2, 275. 8	5, 910	77. 2
October	1, 218, 023	22, 414. 2	482, 989	11, 660. 7	148, 378	1, 899. 3	374, 145	4, 651. 8	89, 473	1, 804. 8	117, 029	2, 319. 1	6, 009	78. 5
November	1, 255, 792	23, 164. 5	501, 786	12, 131. 6	154, 101	1, 974. 1	383, 054	4, 767. 9	91, 715	1, 851. 0	119, 013	2, 359. 9	6, 123	80. 0
December	1, 288, 107	23, 801. 1	518, 234	12, 538. 2	159, 168	2, 039. 9	390, 134	4, 857. 5	93, 781	1, 893. 1	120, 581	2, 391. 4	6, 209	81. 1
1946														
January	1, 324, 496	24, 573. 0	538, 006	13, 057. 9	164, 909	2, 119. 4	397, 062	4, 948. 3	96, 105	1, 941. 0	122, 121	2, 424. 3	6, 293	82. 2
February	1, 362, 473	25, 374. 3	558, 757	13, 599. 7	171, 057	2, 203. 7	404, 092	5, 040. 5	98, 531	1, 989. 9	123, 670	2, 457. 3	6, 366	83. 2
March	1, 403, 698	26, 232. 6	581, 084	14, 171. 8	177, 795	2, 293. 6	411, 429	5, 138. 2	101, 409	2, 048. 1	125, 515	2, 496. 3	6, 466	84. 5
April	1, 441, 074	26, 976. 7	600, 759	14, 657. 3	183, 570	2, 368. 3	419, 153	5, 236. 3	104, 035	2, 101. 2	126, 989	2, 527. 9	6, 568	85. 7
May	1, 474, 015	27, 633. 1	617, 562	15, 076. 0	188, 668	2, 435. 3	426, 141	5, 324. 1	107, 254	2, 166. 2	127, 756	2, 544. 8	6, 634	86. 6
June	1, 502, 085	28, 210. 8	632, 038	15, 443. 3	193, 241	2, 496. 6	431, 202	5, 391. 2	110, 168	2, 225. 9	128, 688	2, 565. 8	6, 748	88. 1
Monthly benefit actions, June 1946:														
In force ¹ beginning of month	1, 665, 166	31, 523. 7	716, 074	17, 504. 6	212, 342	2, 739. 7	453, 819	5, 661. 3	109, 048	2, 202. 0	167, 158	3, 328. 3	6, 725	87. 7
Benefits awarded in month	48, 138	965. 3	23, 134	584. 9	7, 703	102. 6	9, 819	127. 1	3, 432	69. 8	3, 800	78. 7	160	2. 2
Entitlements terminated ²	12, 673	233. 1	4, 124	101. 1	2, 143	27. 2	3, 432	45. 2	459	9. 1	2, 469	49. 9	46	. 6
Net adjustment ⁴	65	14. 8	70	10. 2	25	1. 4	-45	2. 0	4	1	8	1. 1	3	(0)
In force ¹ end of month	1, 700, 696	32, 270. 7	735, 154	17, 998. 6	218, 017	2, 816. 6	460, 161	5, 745. 2	112, 025	2, 262. 8	168, 497	3, 358. 2	6, 842	89. 3

¹ Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit.

² Represents total benefits awarded, including benefits in current, deferred, and conditional-payment status, after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

³ Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, sec. 202.

⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203 (a) and (b), and from other administrative actions.

⁵ Less than \$50.

Public Assistance

Program Operations

The general assistance load declined in June for the third successive month, but at a slower rate (1.6 percent) than in previous months. In 33 of the 46 reporting States there was a decline from May to June in cases receiving general assistance ranging from 0.2 percent in West Virginia to 13 percent in Vermont. Despite the decreases from April to June, the general assistance load this June was 19 percent larger than in June 1945.

Old-age assistance and aid to the blind changed relatively little from May to June. In aid to dependent children, however, there was an increase of 1.4 percent in the number of families receiving assistance, in contrast to an increase of 2.0 percent in May.

An article on "Closing Rates for Special Types of Public Assistance, 1941-45," prepared for this issue was held over for lack of space and will be carried in September.

Table 1.—Public assistance in the United States, by month, June 1945-June 1946¹

Month	Total	Old-age assistance	Aid to dependent children		General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance				
			Families	Children				Families	Children						
			Number of recipients					Percentage change from previous month							
1945															
June	2,038,395	255,675	646,808	71,143	234,000	-----	-0.1	-0.1	(9)	-0.2	-1.4				
July	2,034,531	254,310	644,088	70,935	231,000	-----	-0.2	-0.5	-0.4	-0.3	-1.3				
August	2,033,135	255,114	647,187	70,850	229,000	-----	-1	+3	+5	-1	-9				
September	2,034,541	258,589	657,861	70,654	232,000	-----	+1	+1.4	+1.6	-3	+1.3				
October	2,039,661	263,003	669,317	70,699	239,000	-----	+3	+1.7	+1.7	+1	+3.2				
November	2,047,405	268,213	683,890	70,886	242,000	-----	+4	+2.0	+2.2	+3	+1.3				
December	2,055,859	274,301	701,251	71,454	256,000	-----	+4	+2.3	+2.5	+8	+5.5				
1946															
January	2,059,344	279,892	716,700	71,655	276,000	-----	+2	+2.0	+2.2	+3	+7.6				
February	2,062,672	286,245	733,670	72,041	295,000	-----	+2	+2.3	+2.4	+5	+6.7				
March	2,071,092	292,741	751,839	72,352	303,000	-----	+4	+2.3	+2.5	+5	+2.8				
April	2,088,031	300,938	772,570	72,739	292,000	-----	+8	+2.8	+2.8	+5	-3.6				
May	2,098,977	307,069	786,712	73,427	283,000	-----	+5	+2.0	+1.8	+9	-3.2				
June	2,108,216	311,294	799,414	73,979	278,000	-----	+4	+1.4	+1.6	+8	-1.6				
Amount of assistance															
1945															
June	\$81,123,746	\$60,047,047	\$12,133,574	\$2,147,125	\$6,796,000	+0.3	+0.4	+0.8	+1.1	-1.6					
July	81,390,642	60,536,297	12,091,159	2,145,186	6,618,000	+3	+8	-3	-1	-2.6					
August	82,317,693	60,943,111	12,260,634	2,275,948	6,838,000	+1.1	+7	+1.4	+6.1	+3.3					
September	83,240,209	61,393,799	12,654,076	2,303,334	6,889,000	+1.1	+7	+3.2	+1.2	+7					
October	85,193,100	62,137,738	13,171,371	2,344,991	7,539,000	+2.3	+1.2	+4.1	+1.8	+9.4					
November	86,658,834	62,828,837	13,272,103	2,363,894	7,694,000	+1.7	+1.1	+4.6	+8	+2.1					
December	88,557,991	63,489,317	14,278,439	2,395,235	8,395,000	+2.2	+1.1	+3.7	+1.3	+9.1					
1946															
January	90,358,194	63,963,660	14,728,554	2,402,980	9,263,000	+2.0	+7	+3.2	+3	+10.3					
February	92,070,887	64,419,356	15,273,581	2,426,950	9,951,000	+1.9	+7	+3.7	+1.0	+7.4					
March	93,616,319	64,877,555	15,772,377	2,443,387	10,523,000	+1.7	+7	+3.3	+7	+5.7					
April	93,568,365	65,445,101	16,195,125	2,463,139	9,465,000	-1	+9	+2.7	+8	-10.1					
May	94,247,612	65,877,228	16,475,590	2,491,794	9,403,000	+7	+7	+1.7	+1.2	-7					
June	94,689,886	66,363,812	16,717,447	2,518,627	9,090,000	+5	+7	+1.5	+1.1	-3.3					

¹ Partly estimated and subject to revision. Excludes programs administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act.

² Decrease of less than 0.05 percent.

Chart 1.—Recipients and assistance payments, January 1940-June 1946

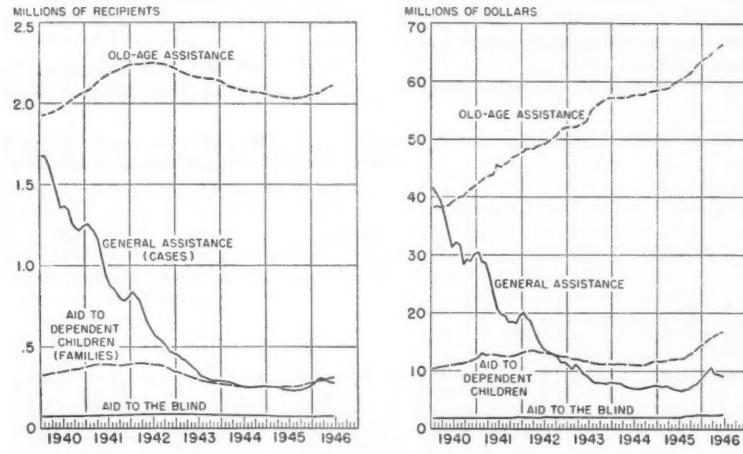


Table 2.—General assistance: Cases and payments to cases, by State, June 1946¹

State	Number of cases	Payments to cases		Percentage change from—			
				May 1946 in—		June 1945 in—	
		Total amount	Average	Number	Amount	Number	Amount
Total ²	278,000	\$9,090,000	\$32.66	-1.6	-3.3	+19.1	+33.8
Ala.	4,169	63,466	15.22	+1.6	+2.3	+34.2	+46.7
Alaska	199	9,631	48.40	-2.0	+33.3	+31.8	+135.1
Ariz.	2,230	65,995	29.59	-8.2	+8.2	+26.8	+70.0
Ark. ³	2,709	32,121	11.86	-7	-1.8	+1.5	+1.4
Calif.	17,088	747,484	43.74	-9	+7	+1.7	+77.5
Colo.	3,490	115,275	33.03	-6	-1.8	+10.2	+17.4
Conn.	2,847	4,98,872	34.73	-7.7	-9	+18.4	+27.8
Del.	427	12,519	29.32	+1.2	-5.1	+21.7	+51.9
D. C.	798	30,917	38.84	+2.4	+3.0	+9.0	+16.1
Fla.	3,900	\$41,000					
Ga.	2,568	33,126	12.90	+0.9	-5	+7.7	+7.7
Hawaii	639	23,922	37.44	-6	(0)	+18.1	+40.0
Idaho ⁴	504	11,908	23.81	-2.3	-3.8	-12.0	(0)
Ill.	19,622	729,958	37.20	-1.4	-3.8	-14.9	+8
Ind. ⁵	9,080	198,672	21.88	-3.6	-7.8	+65.0	+64.3
Iowa	3,930	79,992	20.35	-2.5	-2.5	+3.7	+14.9
Kans.	3,667	120,258	32.79	+5.5	+7.2	+14.8	+30.0
Ky.	2,300	\$34,000					
Ia.	7,466	154,025	20.63	+2.2	+2.7	+7.5	+17.5
Maine	1,961	65,536	33.42	-5.0	-7.9	+4.1	+12.8
Md.	6,546	218,237	33.34	+0.9	+4.2	+34.8	+38.9
Mass.	12,987	441,704	34.01	-3.7	-10.6	+6.8	+13.2
Mich.	18,227	613,078	33.64	-7.0	-19.6	+76.3	+85.3
Minn.	5,217	160,784	30.82	-2.9	-2.9	+2.0	+19.0
Miss.	360	3,356	9.32	-9.1	-3.8	+12.1	+23.0
Mo. ⁶	8,987	212,048	25.59	+2.1	+12.8	+12.2	+33.5
Mont.	1,055	27,011	25.60	-1.7	-1.4	+11.3	+16.5
Nebr.	1,823	41,902	22.99	-4	-4.2	+14.4	+24.6
Nev.	251	4,946	19.71	+11.6	+5.3	+52.1	+45.4
N. H.	10,033	\$19,291	28.93	-4.3	-1.8	-3.1	+4.0
N. J. ⁷	4,926	187,622	38.09	-2.4	-5.2	+9.9	+26.4
N. Mex. ⁸	1,350	23,117	17.12	-7	-2.6	+19.9	-0.5
N. Y. ⁹	39,090	1,890,618	48.37	-8	+1	+9.8	+17.5
N. C.	2,607	31,104	11.93	-3.0	-1.2	+10.1	+23.0
N. Dak.	639	16,822	26.33	-1.7	-1.1	+6.5	+20.1
Ohio	15,446	512,807	33.20	-1.3	-1.0	+44.4	+71.6
Okla.	12,595	60,181	(10)	(10)	+2.0	(12)	+24.1
Oreg.	4,462	217,809	48.81	+2.2	+2.9	+13.2	+38.9
Pa.	27,560	860,325	31.22	+1.1	-6.7	+37.3	+63.0
R. I.	2,045	77,160	37.73	-7.6	-6.4	+5.8	+27.0
S. C.	3,725	53,918	14.47	+1.7	+2.1	+37.7	+75.7
S. Dak.	774	16,315	21.08	-5.6	-1	-6.6	-7.0
Tenn.	1,300	\$13,000					
Tex.	3,000	\$51,000					
Utah	1,669	73,769	44.20	-5.8	-4.4	+19.6	+31.5
Vt.	742	18,282	24.64	-13.0	-0.4	-8.3	-3.4
Va.	3,299	61,013	18.49	+8	+2.9	+6.4	+17.9
Wash.	7,545	394,159	52.24	-4.5	-3.0	+58.9	+71.2
W. Va.	4,546	59,530	13.10	-2	-1	+12.0	+4.9
Wis.	4,601	150,811	32.78	-3.3	-5.4	+2.7	+42.8
Wyo.	344	11,365	33.04	-2.3	-8.1	+4.2	+0.7

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.

² Partially estimated; does not represent sum of State figures because total excludes payments for, and an estimated number of cases receiving, medical care, hospitalization, and burial only in Indiana and New Jersey, and an estimated duplication of cases in Oklahoma.

³ State program only; excludes program administered by local officials.

⁴ Based on actual reports including an estimated 97 percent of cases and payments.

⁵ Estimated.

⁶ Decrease of less than 0.05 percent.

⁷ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents 60 percent of total.

⁸ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁹ Excludes a few cases and a small amount of local funds not administered by State agency.

¹⁰ Partially estimated.

¹¹ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹² Represents 3,524 cases aided by county commissioners and 2,071 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 3.—Aid to the blind: Recipients and payments to recipients, by State, June 1946¹

State	Number of recipients	Payments to recipients		Percentage change from—			
				May 1946 in—		June 1945 in—	
		Total amount	Average	Number	Amount	Number	Amount
Total	73,979	\$2,518,627	\$34.05	+0.8	+1.1	+4.0	+18.2
Total, 47 States ²	57,615	1,894,866	32.89	+.7	+1.0	+3.9	+12.8
Ala.	850	15,504	18.24	+7	+2.5	+12.3	+28.6
Ariz.	531	24,739	46.59	+1.9	+1.3	+18.0	+19.5
Ark.	1,194	22,666	18.98	+1.4	+2.0	-2.0	-6.3
Calif.	5,904	342,123	57.95	+1.5	+1.3	+9.0	+32.3
Conn.	447	16,355	36.59	-.9	-1.0	-4.5	-4.7
Del.	138	5,612	40.67	+2.2	+8.0	+6.2	+20.8
D. C.	48	1,462	(2)	(2)	(2)	(2)	(2)
Fla.	197	7,239	36.75	-1.0	-4	-1.5	+2.5
Fla.	2,387	75,848	31.78	+1.2	+1.9	+5.2	+11.7
Ga.	2,099	33,076	15.76	+1.1	+2.0	+3.9	+15.7
Hawaii	62	1,750	28.23	(2)	(2)	(2)	(2)
Idaho	202	7,057	34.94	+5	+1.1	-1.9	-9.0
Ill.	4,986	175,235	35.15	-4	-5	-3.2	+9
Ind.	1,929	56,701	29.39	-.1	-2	-4.7	-5.6
Iowa	1,220	47,523	38.95	+7	+1.5	-2.6	+14.6
Kans.	1,080	36,326	33.64	+1.2	+1.1	+1.7	+9.6
Ky.	1,552	20,750	13.34	+1	+4	-1.5	+1.4
La.	1,393	34,258	24.59	+4	+1.0	+1.9	-8.0
Maine	778	24,558	31.57	-.9	-1.1	-4.5	-1.6
Md.	454	14,496	31.93	+1.1	+2.4	+3.7	+6.0
Mass.	1,068	50,614	47.39	+8	+1.4	+11.4	+18.9
Mich.	1,330	48,160	36.21	+1.1	+1.7	+6.3	+11.7
Minn.	947	37,982	40.11	-.4	+1.7	0	+6.5
Miss.	1,641	37,750	23.00	+2.4	+3.0	+12.7	+16.9
Mo.	2,950	\$8,500	\$60.00				
Mont.	359	12,817	37.50	+2.3	+2.5	+10.8	+14.9
Nebr.	439	14,362	32.72	+1.2	+1.6	-1.8	-0.5
Nev.	24	1,422	(2)	(2)	(2)	(2)	(2)
N. H.	284	9,193	32.37	0	(2)	+5.6	+11.2
N. J.	550	19,413	35.30	+7	+2.1	+3.0	+8.6
N. Mex.	245	6,930	29.28	+1.2	+8	-4	-2.9
N. Y.	3,088	131,503	42.59	+2	+3	+5.8	+15.1
N. C.	2,587	54,564	21.09	+5	+2	+10.8	+25.5
N. Dak.	119	4,235	35.59	+8	-8.5	+5.3	+15.9
Ohio	3,096	88,208	28.49	+3	+8	+2.6	+8.3
Okla.	2,014	73,894	36.69	+1.1	+1.3	+9.0	+16.4
Oreg.	368	17,908	48.66	+3	+8	-5	+4.6
Pa.	15,390	534,119	39.89	+1.9	+7.7	+5.4	+44.2
R. I.	111	3,883	34.98	+1.8	+2.7	+7.8	+20.1
S. C.	1,039	22,005	21.18	+2.0	+2.7	+12.7	+17.9
S. Dak.	214	5,190	24.25	+1.4	+1.4	-2.7	+6.5
Tenn.	1,563	31,586	20.14	+6	+1.0	+2.0	+2.8
Tex.	4,885	130,400	26.69	+8	+1.6	+5.6	+15.7
Utah	141	5,759	40.84	-.7	-9	+11.0	+16.6
Vt.	165	5,333	32.36	6	0	+14.6	+30.2
Va.	981	18,946	19.31	+1.2	+2.2	+2.8	+9.5
Wash.	634	37,793	59.61	-.8	(2)	+8.7	+19.8
W. Va.	842	16,380	19.45	+1.4	+1.2	+2.3	-5.1
Wis.	1,338	42,199	31.54	-.7	+1.3	-4.4	+2.7
Wyo.	111	4,619	41.61	-2.6	-2.5	-9	+0

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent programs administered without Federal participation. Data exclude program administered without Federal participation in Connecticut which administers such program concurrently with program under the Social Security Act; see the *Bulletin*, April 1945, p. 26. Alaska does not administer aid to the blind. All data subject to revision.

² Under plans approved by the Social Security Board.

³ Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

⁴ Payments under approved plan first made in November 1945.

⁵ Estimated.

⁶ Represents statutory monthly pension of \$30 per recipient; excludes payments for other than a month.

⁷ Decrease of less than 0.05 percent.

Table 4.—*Aid to dependent children: Recipients and payments to recipients, by State, June 1946*¹

State	Number of recipients		Payments to recipients		Percentage change from—					
	Families	Children	Total amount	Average per family	May 1946 in—			June 1945 in—		
					Number of—		Amount	Number of—		Amount
					Families	Children		Families	Children	
Total...	311,194	799,414	\$16,717,447	\$53.70	+1.4	+1.6	+1.5	+21.8	+23.6	+37.8
Total, 50 States ² ...	311,250	799,325	16,716,219	53.71	+1.4	+1.6	+1.5	+21.8	+23.6	+37.8
Alabama...	6,752	18,916	193,028	28.59	+7.7	+8	+1.0	+33.0	+34.7	+51.9
Alaska...	113	309	5,476	48.46	+7.6	+4.7	+5.5	(9)	(9)	(9)
Arizona...	5,260	71,912	39,49	+1.1	+1.1	+1.1	-1	+28.3	+28.7	+28.3
Arkansas...	4,530	12,156	128,291	28.26	+2.9	+3.1	+3.7	-1.0	+9.0	-2.5
California...	7,985	20,160	709,030	88.80	+2.4	+1.7	+2.0	+21.9	+22.0	+33.3
Colorado...	3,641	9,912	224,481	61.65	-1.6	-1.8	-1.7	+13.5	+13.3	+31.5
Connecticut...	2,734	6,730	248,215	70.79	+2.4	+1.6	+1.8	+35.5	+31.4	+59.0
Delaware...	273	783	20,604	75.47	+7	+1.6	+8	+7	+5.5	+12.0
District of Columbia...	790	2,452	51,447	65.12	+1.7	-1.0	+1.4	+31.9	+29.9	+43.3
Florida...	6,609	16,244	225,547	34.13	+4	+5	+7	+20.7	+19.9	+23.0
Georgia...	4,780	12,130	130,482	27.30	+3.0	+3.3	+4.5	+21.5	+23.1	+32.9
Hawaii...	659	2,064	47,301	71.78	+4.1	+3.7	+7.5	+27.7	+27.9	+54.5
Idaho...	1,430	3,807	88,518	61.90	+1.2	(9)	+1.3	+20.1	+19.0	+104.0
Illinois...	21,785	52,988	1,492,169	68.50	+2	+5	+8	+9.9	+11.7	+50.9
Indiana...	6,596	15,954	252,704	38.31	+1.0	+1.3	+1.4	+9.0	+13.1	+14.5
Iowa...	3,579	9,206	121,172	33.86	0	0	+1.1	+17.1	+20.6	+45.7
Kansas...	3,490	9,980	199,600	57.19	+4	+6	+4	+22.0	+23.5	+42.0
Kentucky...	5,722	15,051	122,255	21.37	+1.7	+2.3	+1.0	+21.0	+18.5	+19.0
Louisiana...	9,521	25,115	343,283	36.06	+5	+2.1	+1.5	+4.4	+6.8	-15.8
Maine...	1,582	4,478	113,766	71.91	-1	-2	-9	+20.0	+21.1	+35.5
Maryland...	3,822	11,058	144,694	37.86	+1.0	+1.4	+1.7	+32.9	+34.0	+34.1
Massachusetts...	8,250	20,593	696,131	84.38	+4	+6	+5	+15.2	+16.8	+21.0
Michigan...	16,859	40,327	1,163,549	69.02	+1.5	+1.4	+1.5	+33.9	+32.6	+53.4
Minnesota...	5,141	13,083	277,561	53.99	-1	+6	-1	+9.5	+10.0	+41.0
Mississippi...	3,400	8,940	89,303	26.27	+1.6	+1.5	+1.5	+19.8	+22.6	+21.5
Missouri...	14,913	39,247	540,221	36.22	+2.9	+2.8	+2.9	+36.7	+39.8	+46.8
Montana...	1,450	3,880	79,362	54.73	-1.6	-4	-2.8	+11.6	+17.2	+35.4
Nebraska...	2,546	6,053	169,340	66.51	+1.0	+1.2	+2.7	+14.7	+16.7	+132.6
Nevada...	44	89	1,228	(9)	(9)	(9)	(9)	(9)	(9)	(9)
New Hampshire...	939	2,400	66,819	71.16	+1.5	+2.1	-3	+26.0	+30.2	+31.2
New Jersey...	3,614	9,117	235,454	65.15	+5	+2	+8	+11.6	+12.7	+24.3
New Mexico...	2,862	5,703	104,602	36.55	+1.1	+7	+4	+12.6	+9.3	+6.7
New York...	28,789	69,797	2,336,559	81.16	+1.6	+3.0	+2.6	+51.9	+58.2	+65.3
North Carolina...	6,432	17,559	180,280	28.03	-2	+9	-2	+5.1	+11.5	+18.9
North Dakota...	1,481	4,129	90,552	61.14	+5	+7	+2.5	+9	+1.3	+12.2
Ohio...	8,261	22,974	478,373	57.91	+2	+1.8	+1.4	+11.8	+14.4	+19.3
Oklahoma...	19,780	48,279	692,633	35.02	+3.3	+3.2	+3.3	+33.7	+36.8	+37.1
Oregon...	1,431	3,547	122,738	85.77	+1.2	+8	+2.0	+15.0	+17.5	+24.2
Pennsylvania...	31,658	82,939	2,081,148	65.74	+1.7	+1.4	+1.2	+44.5	+42.4	+49.1
Rhode Island...	1,767	4,525	121,127	68.55	+2.4	+2.0	+1.1	+43.2	+41.4	+44.7
South Carolina...	4,325	12,627	102,119	23.61	+1.7	+1.7	+2.3	+17.3	+17.4	+14.6
South Dakota...	1,692	4,188	68,218	40.32	+1.5	+2.1	+2.9	+17.0	+25.0	+16.7
Tennessee...	11,732	30,988	341,769	29.13	+3	+6	+9	+6.6	+8.0	+2.7
Texas...	9,343	23,089	236,469	25.31	+5.6	+6.2	+1	-15.8	-4.9	+2.5
Utah...	2,081	5,578	158,680	76.25	+2	+2	+2	+12.7	+14.1	+17.3
Vermont...	609	1,620	21,738	35.69	-8	-1.0	-1.2	+5.7	+9.4	+9.4
Virginia...	3,808	10,908	130,666	34.31	+6	+5	+1.1	+10.2	+11.2	+28.0
Washington...	5,204	12,798	516,655	99.28	+2.2	+2.3	+2.5	+46.9	+46.1	+61.7
West Virginia...	8,002	22,254	252,709	31.58	+2.0	+1.6	+2.1	+12.3	+12.0	+8.5
Wisconsin...	6,338	15,730	408,015	64.38	-1.6	-9	-9	+15.8	+18.1	+35.7
Wyoming...	320	900	19,424	60.70	-1.2	-4	-5	+13.1	+16.0	+15.4

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent program administered without Federal participation. Data exclude programs administered without Federal participation in Florida, Kentucky, and Nebraska, which administer such programs concurrently with programs under the Social Security Act (see the *Bulletin*, Apr. 1945, p. 26.) All data subject to revision.

² Under plans approved by the Social Security Board.

³ Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

⁴ Increase of less than 0.05 percent.

Table 5.—Old-age assistance: Recipients and payments to recipients, by State, June 1946¹

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—					
		Total amount	Average	May 1946 in—		June 1945 in—				Total amount	Average	May 1946 in—		June 1945 in—			
				Number	Amount	Number	Amount					Number	Amount	Number	Amount		
Total...	2,108,216	\$66,363,812	\$31.48	+0.4	+0.7	+3.4	+10.5	Mo.	105,348	\$2,996,505	\$28.44	+0.7	+2.2	+4.9	+27.7		
Ala.	38,686	703,465	18.18	+7	+6.2	+21.1	+41.9	Mont.	10,691	348,817	32.63	-4	-3	-4	+4.5		
Alaska....	1,366	56,045	41.03	0	+4	+3.4	+23.0	Nebr.	24,295	783,500	32.25	+1	+2	+8	+13.1		
Ariz.	9,748	378,039	38.78	+5	+5	+3.3	+3.9	Nev.	1,947	75,615	38.84	+3	+5	+1.5	+2.6		
Ark.	27,579	469,327	17.02	+1.8	+2.3	-1.2	-6.5	N. H.	6,588	206,107	31.29	+2	+2	+7	+4.9		
Calif.	162,308	7,735,854	47.66	+5	+7	+2.8	+3.6	N. J.	22,925	763,443	33.30	(9)	+3	-2.8	+2.0		
Colo.	40,367	1,674,576	41.48	-2	-1	-2	+1	N. Mex.	6,724	209,190	31.11	+2.1	+1.9	+15.1	+12.5		
Conn.	14,689	601,241	40.03	+5	+1.0	+5.8	+17.9	N. Y.	104,162	3,916,035	37.60	+1	(9)	+6	+8.7		
Del.	1,187	22,876	19.27	-5	+1	-8.5	+11.4	N. C.	32,916	458,802	13.94	+5	+1.4	+5	+12.1		
D. C.	2,278	76,744	33.69	-1.3	-2	-6.4	-1.1	N. D.	8,712	205,157	35.03	+1.1	+1.3	-1	+6.0		
Fla.	45,902	1,402,378	30.55	+1.3	+1.9	+12.5	+19.0	Ohio.	116,633	3,125,266	31.94	+1	+7	-1.4	+5.5		
Ga.	69,730	906,597	13.00	+6	+2.1	+5.0	+19.6	Oklahoma....	86,691	5,077,837	35.50	+1.0	+1.2	+10.8	+34.3		
Hawaii....	1,497	37,652	25.15	+1.1	+1.3	+4.2	+16.1	Oreg.	21,015	830,700	39.59	+5	+1.0	+4.9	+17.2		
Idaho....	9,857	323,720	32.84	-1	-1	+2.3	+11.2	Pa.	85,985	2,657,934	30.91	+5	+6	+4.0	+7.2		
Ill.	124,889	4,243,362	33.98	-1	+1	+2.8	+9.4	R. I.	7,568	268,578	35.49	+3	+1.1	+4.9	+10.6		
Ind.	54,557	1,446,070	26.51	+4	+7	-1.0	+2.3	S. C.	23,402	376,439	16.09	+1.9	+2.1	+9.4	+24.5		
Iowa....	48,357	1,642,242	33.96	(9)	+7	-1.9	+5.1	S. D. Dak.	12,673	345,068	27.23	-2	+3	-1	+10.8		
Kans.	29,605	907,494	30.76	+6	+9	+5.0	+12.1	Tenn.	38,424	626,285	16.30	+4	+5	+1.3	+2.7		
Ky.	44,240	521,372	11.79	-6	-4	-8.2	-5.6	Tex.	182,561	4,372,842	23.95	+7	-7	+7.5	+7.8		
La.	37,957	810,306	21.35	+1.0	+1.7	+4.1	-6.0	Utah.	12,828	501,813	39.12	+2	+1	-3	+7		
Maine....	15,010	462,810	30.83	-4	-6	+8	+5.0	Vt.	5,222	125,516	24.04	-1.1	-9	+1.2	+9.1		
Md.	11,546	326,537	28.28	+3	+2	-1	+1.7	Va.	14,928	228,329	15.30	+1	+3	-7	+10.8		
Mass.	79,538	3,725,016	46.83	+5	+1.6	+6.7	+16.8	Wash.	65,278	3,494,638	63.53	+7	+8	+7.3	+18.9		
Mich.	89,453	3,000,784	33.55	+4	+6	+6.0	+16.0	W. Va.	18,944	326,143	17.22	+8	+1.1	+2.2	-2.2		
Minn.	54,177	1,832,411	33.82	+2	+6	-1.2	+11.0	Wis.	46,261	1,441,555	31.16	+2	+7	+3.0	+10.1		
Miss.	27,540	457,714	16.62	+1.3	+1.9	(9)	+7.8	Wyo.	3,522	137,069	38.92	+4	+2	+4.9	+12.4		

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.

² Decrease of less than 0.05 percent.

³ Increase of less than 0.05 percent.

Social and Economic Data

Social Security and Other Income Payments

All Income Payments to Individuals

Income payments to individuals in June—\$13.4 billion—were 0.3 percent below the May figure and 2.3 percent below the amount in June 1945 (table 1). Of the six components in the series, only compensation of employees and dividends and interest were higher than in May. Social insurance and related payments accounted for 4.2 percent of all income payments, as compared with 1.5 percent a year earlier.

All components of the income payment series, except compensation of employees and military and subsistence allowances, were larger than in June 1945. Compensation of employees fell 8 percent, and military and subsistence allowances, which picked up somewhat in April and May, dropped in June to almost half the amount for the corresponding month of 1945.

Social Insurance and Related Payments

Payments in June 1946.—Payments under selected social insurance and related programs totaled \$464 million in June, 2.5 percent below the May amount and three times that in June 1945 (table 3). These payments represented 82 percent of all social insurance and related payments as estimated by the Department of Commerce.

The decrease in total payments reflects the drop of \$17 million in unemployment benefits. State unemployment compensation in June amounted to \$93 million, a decrease of 10.5 percent from the figure for May but almost 10 times that in June 1945. Railroad unemployment benefits increased for the second successive month; the \$4.4 million paid to unemployed railroad workers in June was almost double the amount disbursed during all 1945. Readjustment allowances to unemployed veterans continued downward, and allowances to

self-employed veterans fell off for the first time since September 1945. June payments of \$150.2 million to unemployed veterans and of \$27.7 million to self-employed veterans represent decreases of 3.2 and 4.8 percent, respectively, from the levels of the preceding month.

Rhode Island sickness compensation payments decreased slightly from the May amount, but the May-June volume reflected the start of a new benefit year in April. June payments of \$533,000 represent a rise of 3 percent over the corresponding month of 1945.

Retirement and survivor benefits continued upward in June. Disbursements under the Social Security Act, including lump-sum payments, totaled \$30.5 million, 36 percent above the amount a year earlier. Disability payments to veterans amounted to \$106.5 million, nearly double the total in June 1945; benefits to survivors rose 22 percent over the same period of time. Retirement and disability payments under the railroad retirement and civil-service programs also increased, but less rapidly.

Payments in 1945.—During the calendar year 1945, payments to retired

Table 1.—*Income payments to individuals, by specified period, 1936-46*¹

[In millions; data corrected to Aug. 6, 1946]

Year and month	Total ²	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military and subsistence allowances ⁵
					Work relief ⁶	Direct relief ⁷		
1942	117,311	79,970	23,933	9,771	586	1,061	1,844	\$136
1943	143,089	101,813	27,161	10,389	57	940	1,703	1,020
1944	156,721	112,043	28,017	11,195	—	942	1,970	2,548
1945	160,607	111,360	29,894	12,304	—	990	2,925	2,949
1945	—	—	—	—	—	—	—	—
June	13,692	9,520	2,493	1,024	—	81	208	258
July	13,622	9,509	2,479	1,032	—	81	218	260
August	13,207	9,143	2,441	1,042	—	82	225	260
September	12,817	8,797	2,359	1,051	—	83	261	259
October	12,952	8,792	2,428	1,060	—	85	328	254
November	13,192	8,898	2,551	1,068	—	87	355	232
December	13,102	8,838	2,537	1,073	—	88	371	192
1946	—	—	—	—	—	—	—	—
January	13,069	8,648	2,626	1,079	—	90	458	165
February	12,969	8,481	2,690	1,084	—	92	486	134
March	13,141	8,670	2,631	1,091	—	94	540	113
April	13,234	8,739	2,609	1,098	—	93	565	130
May	13,421	8,747	2,745	1,107	—	94	575	152
June	13,381	8,754	2,709	1,117	—	94	565	141

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; June payments were \$1 million.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and mustering-out pay.

⁴ Earnings of persons employed by NYA, WPA, and CCC.

⁵ Payments to recipients under 3 special public assistance programs and general assistance, value of food stamps under food stamp plan, and farm subsistence payments.

⁶ Payments of old-age and survivors insurance railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment insurance, railroad unemployment insurance, veterans' pensions and compensation, and readjustment allowances to unemployed and self-employed veterans.

⁷ Government portion of payments to dependents of members of the armed forces (portion deducted from military pay included under compensation of employees as part of military pay rolls) and subsistence allowances to veterans under the Servicemen's Readjustment Act of 1944.

Source: Department of Commerce, Office of Business Economics.

Table 2.—*Payments under social insurance and related programs, 1945*¹

[In thousands; corrected to Aug. 6, 1946]

Program	Total	Retirement payments	Disability payments	Survivor payments		Unemployment insurance payments	Refunds
				Monthly	Lump-sum		
All programs	\$2,704,419	\$596,885	\$918,547	\$435,370	\$65,496	\$563,180	\$113,266
Old-age and survivors insurance	287,760	157,392	—	104,232	26,136	—	—
Railroad retirement	147,050	106,240	30,900	1,772	8,138	—	—
Federal retirement	248,478	135,525	19,378	128	10,683	82,766	80,992
Civil-service systems	176,978	66,236	19,378	128	10,244	—	—
Other contributory	3,500	1,287	(3)	(3)	439	1,774	—
Noncontributory	68,000	68,000	(3)	(3)	(3)	—	—
State and local government	223,500	143,000	14,500	20,000	15,500	—	30,500
Veterans' pensions	957,107	54,730	643,100	254,238	5,039	—	—
Workmen's compensation	261,000	—	206,000	55,000	(3)	—	—
Rhode Island sickness compensation ⁷	4,669	—	4,669	—	—	—	—
State unemployment insurance ⁷	445,866	—	—	—	445,866	—	—
Railroad unemployment insurance ⁸	2,359	—	—	—	2,359	—	—
Servicemen's readjustment allowances ⁹	2,126,630	—	—	—	114,955	—	—

¹ Data partly estimated; total differs from totals in tables 1 and 3 for the following reasons: (1) data in table 1 include estimates by Department of Commerce for State and local government retirement systems and for workmen's compensation; Social Security Board estimates for these 2 programs, which are lower than Department of Commerce estimates, are used in table 2; (2) Board estimates for workmen's compensation in this table exclude cost of medical care; (3) some programs included in this table are excluded in table 3.

² Included allowances of \$11,675,000 to self-employed veterans.

³ Retirement payments include a small but unknown amount of disability and survivor payments

under noncontributory and contributory systems administered by agencies other than the Civil Service Commission for Federal employees.

⁴ For fiscal year, which usually ends in June.

⁵ Payments to Spanish-American War veterans retired for age.

⁶ A small but unknown amount of lump-sum payments included with monthly payments.

⁷ Adjusted for voided benefit checks.

⁸ Adjusted for underpayments and recoveries of overpayments.

⁹ Allowances to unemployed and self-employed veterans under provisions of title V of the Servicemen's Readjustment Act of 1944.

and disabled persons accounted for 56 percent of all social insurance and related payments (table 2). More than 70 percent of all disability payments were made to veterans. Workmen's compensation accounted for most of the remainder; payments for medical care under workmen's compensation are not included in table 2. Except for the cash sickness program in Rhode Island, compensation for occupational disabilities, and the special programs for disabled veterans, there was no significant social insurance protection for persons who suffered wage losses due to sickness or disability.

While the veterans' program and workmen's compensation accounted also for a substantial portion of all payments to survivors, nearly one-fourth of the total amount for monthly survivor benefits was paid under old-age and survivors insurance. Survivor benefits represented 19 percent of all social insurance and related payments.

Retirement benefits under old-age and survivors insurance totaled 32 percent more than in 1944 and represented more than one-fourth of all retirement payments under the social insurance and related programs included in the table.

Unemployment insurance had an important role in easing the problems of families and local communities faced with interruptions of work. Unemployment benefits represented 21 percent of all social insurance and related payments in 1945 as compared with 4 percent in 1944, a year of peak employment. Workers covered by State systems received more than 79 percent of the \$563 million disbursed during 1945 to unemployed workers. Payments to unemployed veterans under provisions of the Servicemen's Readjustment Act accounted for more than 20 percent of total payments to unemployed persons. Allowances to self-employed veterans, which were first made in November 1944 with respect to self-employment in October, amounted to \$11.7 million during 1945.

Estimated Pay Rolls in Covered Employment, First Quarter, 1946

The downward movement in wages and salaries, which began in the third quarter of 1945, continued with a sharp drop in the first quarter of 1946.

Table 3.—Selected social insurance and related programs, by specified period, 1940-46

[In thousands; data corrected to Aug. 6, 1946]

Year and month	Total	Retirement, disability, and survivor programs										Unemployment insurance programs			Readjustment allowances to self-employed veterans ¹²					
		Monthly retirement and disability benefits ¹				Survivor benefits						Rhode Island sickness compensation ¹⁰	State unemployment insurance laws ¹⁰	Servicemen's Readjustment Act ¹¹	Railroad Unemployment Insurance Act ¹²					
		Monthly		Lump-sum ⁸																
		Social Security Act ⁹	Railroad Retirement Act ⁹	Civil Service Commission ⁴	Veterans Administration ⁵	Social Security Act ⁶	Railroad Retirement Act ⁹	Veterans Administration ⁷	Social Security Act	Railroad Retirement Act ⁹	Civil Service Commission ⁴	Veterans Administration ⁸								
Number of beneficiaries																				
1945																				
June	574.7	167.1	88.0	1,144.2	531.3	4.4	537.3	17.0	1.9	2.0	4.6	7.1	129.4	31.8	0.8	10.6				
July	588.4	167.8	88.8	1,194.3	539.7	4.4	570.7	14.7	1.7	2.0	4.7	6.4	185.5	38.5	.6	11.9				
August	602.5	168.5	89.4	1,245.8	548.3	4.4	600.8	14.7	1.7	1.8	4.7	5.8	230.5	44.1	1.2	12.4				
September	619.9	169.5	89.9	1,309.3	560.1	4.4	628.8	12.1	1.8	1.4	4.7	5.0	612.1	73.2	2.1	12.3				
October	644.2	170.5	90.9	1,389.8	573.8	4.4	656.1	17.1	1.5	1.7	5.0	4.9	1,271.7	122.9	5.8	12.6				
November	669.1	171.8	91.7	1,464.8	586.7	4.4	680.2	12.8	1.4	1.3	4.1	4.5	1,313.4	217.7	9.3	13.5				
December	690.9	172.9	92.5	1,533.6	597.3	4.4	697.5	13.2	1.3	.7	3.8	4.4	1,319.0	405.0	12.7	21.1				
1946																				
January	716.7	174.2	93.7	1,620.7	607.8	4.4	725.0	17.8	1.8	2.6	4.5	4.4	1,624.3	695.5	21.9	44.0				
February	743.9	175.7	94.5	1,714.5	618.6	4.5	736.9	15.0	1.5	1.7	4.0	4.5	1,632.0	1,071.1	40.3	63.2				
March	773.3	177.4	95.7	1,866.5	630.4	4.5	751.0	15.9	1.8	1.5	5.3	4.7	1,591.8	1,507.2	51.0	141.9				
April	799.1	178.6	96.8	1,984.7	641.9	4.5	766.0	17.0	2.0	1.5	4.6	5.3	1,402.4	1,626.1	51.7	233.0				
May	821.4	179.8	98.0	2,046.0	652.7	4.5	783.3	17.3	1.7	2.1	7.6	1,314.9	1,580.0	66.7	279.2					
June	840.7	180.6	99.1	2,129.9	661.4	4.5	789.8	16.2	1.7	2.7	7.4	1,175.0	1,528.0	74.9	261.8					
Amount of benefits ¹⁴																				
1940	\$1,188,702	\$21,074	\$114,166	\$62,019	\$317,851	\$7,784	\$1,448	\$105,696	\$11,736	\$2,497	\$5,810	\$3,960		\$518,700		\$15,961				
1941	1,085,488	55,141	119,912	64,933	320,561	25,454	1,559	111,799	13,328	3,421	6,170	4,352		344,321		14,537				
1942	1,130,721	80,305	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120		344,084		6,268				
1943	921,463	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350		\$2,857	79,643	917				
1944	1,119,684	119,009	129,707	78,081	456,279	76,942	1,765	144,302	22,146	6,591	7,863	4,784		5,035	62,385	\$4,113	582	\$102		
1945	2,067,434	157,391	137,140	85,742	697,830	104,231	1,772	254,238	26,135	8,138	10,244	5,049		4,669	445,866	114,955	2,359	11,675		
1945																				
June	135,603	12,127	11,379	7,137	54,804	8,036	152	22,613	2,346	716	956	462	517	9,686	3,572	42	1,059			
July	144,070	12,439	11,448	7,220	57,228	8,171	148	23,492	2,033	649	928	469	469	14,352	3,778	35	1,210			
August	151,598	12,762	11,484	7,263	59,483	8,309	149	23,450	2,021	693	842	461	425	17,948	5,013	72	1,223			
September	190,468	13,154	11,559	7,246	63,558	8,494	150	23,164	1,697	736	672	453	367	50,439	7,457	118	1,205			
October	263,582	13,709	11,630	7,337	69,602	8,705	148	25,511	2,432	658	835	532	355	106,449	14,088	337	1,254			
November	277,992	14,260	11,757	7,377	71,174	8,905	147	24,292	1,809	588	700	437	329	106,555	25,770	553	1,338			
December	302,050	14,736	11,864	7,440	76,722	9,065	149	26,845	1,867	578	366	356	317	106,624	42,244	777	2,111			
1946																				
January	378,908	15,339	11,997	7,542	80,183	9,234	150	26,511	2,539	812	1,306	477	325	133,246	83,322	1,351	4,484			
February	401,044	15,969	12,085	7,560	83,229	9,405	149	26,246	2,164	751	908	416	303	121,000	112,195	2,207	6,467			
March	463,106	16,625	12,238	7,670	92,277	9,597	150	25,924	2,263	883	883	425	343	127,013	148,958	3,210	14,627			
April	475,552	17,200	12,332	7,861	96,965	9,777	152	26,019	2,442	883	942	460	385	110,672	160,071	3,175	25,315			
May	475,740	17,690	12,388	7,970	102,302	9,943	149	27,416	2,461	797	1,250	460	551	103,889	155,175	4,238	29,060			
June	463,790	18,122	12,419	7,987	106,494	10,089	152	27,642	2,335	792	1,473	470	533	92,981	150,223	4,414	27,663			

¹ Old-age retirement benefits under all acts, disability retirement benefits under the Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

² Primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

³ Age and disability annuitants and pensioners as of last day of month. Payments represent amounts certified, minus cancellations. Widows receiving both survivor and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁴ Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under the National Defense Acts of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but also include payments from Canal Zone and Alaska Railroad retirement and disability funds administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service are not included but will be summarized twice a year in the *Bulletin*. June 1946 data subject to revision.

⁵ Veterans' pension and compensation.

⁶ Widow's, widow's current, parent's, and child's benefits. Partly estimated.

⁷ Payments to widows, parents, and children of deceased veterans.

⁸ Number of decedents on whose account lump-sum payments were made, and amount of such payments.

⁹ Payments for burial of deceased veterans.

¹⁰ Number represents average weekly number of beneficiaries. Annual amounts adjusted for voided benefit checks; monthly amounts not adjusted. State unemployment insurance data for February and June 1946 partly estimated.

¹¹ Readjustment allowances to unemployed veterans only. Number before May 1946 represents average weekly number of veterans paid readjustment allowances during weeks ended in the month; number for May and June represents estimate based on number of weeks compensated. Amounts for June 1945 represent payments during weeks ended in the month; for July and subsequent months, payments are on calendar-month basis.

¹² Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. Annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures not adjusted.

¹³ Number of veterans and amount paid during month under the Servicemen's Readjustment Act.

¹⁴ Payments to individuals: annual and lump-sum payments (amounts certified, including retroactive payments) and monthly payments in current-payment status, under the Social Security Act; amounts certified under the Railroad Retirement Act (including retroactive payments) and the Railroad Unemployment Insurance Act; disbursements minus cancellations, under Civil Service Commission and Veterans Administration programs; checks issued by State agencies, under State unemployment insurance and Rhode Island sickness compensation programs and under the Servicemen's Readjustment Act.

¹⁵ Preliminary estimate.

Source: Based on reports of administrative agencies.

Table 4.—Estimated pay rolls in employment covered by selected programs¹ in relation to all wages and salaries, by specified period, 1937-46

[Data corrected to Aug. 2, 1946]

Period	All wages and salaries ²	Old-age and survivors insurance ³	Railroad retirement ⁴	State unemployment insurance ⁵	Railroad unemployment insurance ⁶
Amount (in millions)					
Calendar year:					
1937	\$45,053	\$32,770	\$2,290	(0)	\$2,290
1938	41,247	29,026	2,028	\$26,200	2,028
1939	44,313	32,222	2,161	29,069	2,161
1940	48,707	35,668	2,273	32,450	2,273
1941	60,885	45,417	2,687	42,146	2,687
1942	80,793	58,147	3,382	54,796	3,382
1943	102,932	69,747	4,085	66,106	4,085
1944	113,031	73,310	4,507	69,121	4,507
1945	111,444	70,833	4,514	65,930	4,514
1945					
Jan.-Mar.	28,385	18,177	1,130	17,170	1,130
Apr.-June	28,843	18,306	1,141	17,210	1,141
July-Sept.	27,222	16,874	1,136	15,800	1,136
Oct.-Dec.	26,994	17,476	1,107	15,750	1,107
1946					
Jan.-Mar.	24,983	17,083	1,125	15,500	1,125
Percent of all wages and salaries					
Calendar year:					
1937	100.0	72.7	5.1	(0)	5.1
1938	100.0	70.4	4.9	63.5	4.9
1939	100.0	72.7	4.9	65.6	4.9
1940	100.0	73.2	4.7	66.6	4.7
1941	100.0	74.6	4.4	69.2	4.4
1942	100.0	72.0	4.2	67.8	4.2
1943	100.0	67.8	4.0	64.2	4.0
1944	100.0	64.9	4.0	61.2	4.0
1945	100.0	63.6	4.1	59.2	4.1
1945					
Jan.-Mar.	100.0	64.0	4.0	60.5	4.0
Apr.-June	100.0	63.5	4.0	59.7	4.0
July-Sept.	100.0	62.0	4.2	58.0	4.2
Oct.-Dec.	100.0	64.7	4.1	58.3	4.1
1946					
Jan.-Mar.	100.0	68.4	14.5	62.0	14.5

¹ Includes data for Alaska and Hawaii. Pay roll in these 2 Territories covered by State unemployment insurance programs has ranged from \$18 million to \$78 million per quarter.

² Data from U. S. Department of Commerce, Office of Business Economics. Quarterly data have been adjusted to correct for distribution of bonus payments. Represents estimated wages and salaries paid in cash and in kind in continental United States and, in addition, Army and Navy pay rolls in all other areas. Includes employee contributions to social insurance and retirement programs. Because estimates of all wages and salaries are built up by industry groups, amount in covered and noncovered employment cannot be determined precisely. While the estimated amount in covered employment included within this total differs from pay rolls in covered employment as given in this table, the difference is so small that it does not invalidate relationship of covered pay rolls to total. Commerce estimates relate to calendar quarters; estimates for pay rolls covered by old-age and survivors insurance, railroad retirement, and unemployment insurance relate to periods ended in calendar quarters.

³ Taxable wages plus estimated nontaxable wages in excess of \$3,000 earned in employment covered by program.

⁴ Taxable wages plus nontaxable wages in excess of \$300 per month.

⁵ Taxable wages plus nontaxable wages earned in employment covered by program; excludes earnings of railroad workers covered by State laws through June 1939. Data for 1945 and 1946 estimated.

⁶ Not available.

⁷ Preliminary.

which brought the total for this quarter to \$25 billion. The \$2 billion reduction from the preceding quarter exceeded the record decrease of \$1.6 billion in the third quarter of 1945 and was almost 10 times the decrease in the fourth quarter. Part of this large drop may be attributed to the seasonal slump in pay rolls which usually occurs in the first quarter of each year. In the first quarters of 1944 and 1945, periods when employment was rising, the decrease in pay rolls was about half that in the first quarter of 1946. About 85 percent of

the \$2 billion decrease is accounted for by noncovered industries. Government wages and salaries fell by about \$1.5 billion, while agriculture lost \$200 million. Total wages in domestic service remained fairly stable.

Pay rolls covered by old-age and survivors insurance in the first quarter of 1946 decreased by 2 percent or about \$400 million, offsetting to a large extent the increase which occurred in the fourth quarter of 1945. The drop, however, was less sharp than for all wages and salaries; as a result, the total of \$17.1 billion rep-

resents 68 percent of all wages and salaries in the first quarter of 1946 in comparison with 65 percent for the preceding quarter and 64 percent a year earlier.

Wages and salaries covered by State unemployment insurance continued to decline in the first quarter of 1946. A 1.6-percent decrease brought the total to \$15.5 billion, or about \$2 billion less than a year earlier. Despite the decrease, the total for the first quarter of 1946 accounts for 62.0 percent of all wages and salaries for that quarter, while the corresponding percentage for the first quarter of 1945 was only 60.5 percent.

In contrast to the downward trend of pay rolls in other industries, preliminary estimates for the first quarter of 1946 indicate an increase in the wages and salaries of workers covered by the railroad retirement and railroad unemployment insurance programs. Although the rise of 1.6 percent was not sufficient to bring the total to the level for the third quarter of 1945, railroad pay rolls increased from 4.2 percent of all salaries and wages in the third quarter of 1945 to 4.5 percent in the first quarter of 1946.

Financial Operations, Fiscal Year 1945-46

The outstanding characteristic of financial operations under the programs of the Social Security Board in the fiscal year 1945-46 was the sharp increase in expenditures and the accompanying decline in income (table 5). Assets of the old-age and survivors insurance trust fund increased by \$1.0 billion, a slightly smaller amount than in the preceding fiscal year. Those of the unemployment trust fund increased by only \$134 million, however, as compared with \$1.4 billion in the preceding year; the small increase was attributable primarily to the large sums withdrawn by the States for payment of unemployment benefits. For the first time since the beginning of the program the States withdrew more during the year than they deposited. Were it not for the interest earned on investments, outgo would have exceeded income in the State accounts.

The two major social insurance

trust funds absorbed \$1.1 billion of the increase in the public debt during the year, as contrasted with \$2.6 billion in 1944-45. Nevertheless, this smaller dollar amount represented a larger percentage—9 percent—than in any of the preceding war years; the interest-bearing public debt increased by \$12 billion in 1945-46, in contrast to \$57 billion in 1944-45. Federal expenditures declined substantially after VE-day, monthly cash outgo dropping from \$9 billion in June 1945 to \$5 billion in June 1946. For the year as a whole, Federal expenditures amounted to \$66 billion, as compared with \$96 billion in 1944-45. After the end of actual hostilities, war spending did not stop abruptly but declined gradually throughout the remaining 10½ months of the fiscal year. Outlays for termination of war contracts and for mustering-out pay for millions of servicemen and women slowed down the rate of decline in war spending, while the "aftermath-of-war" expenditures—for veterans' programs, interest on the public debt, and tax refunds—increased sharply. War expenditures alone represented about 75 percent of the total Federal outgo

Table 6.—Social security trust fund investments and the interest-bearing public debt, as of June 30, 1946

Item	Investments as of June 30, 1946		Net acquisitions, fiscal year 1945-46 (in millions)	Investments as of June 30, 1946	
	Amount (in millions)	Average interest rate (percent)		Amount (in millions)	Average interest rate (percent)
Total interest-bearing public debt.....	\$256,357	1.936	\$11,754	\$268,111	1.996
Securities acquired by social security trust funds:					
Old-age and survivors insurance trust fund.....	6,546	2.127	1,002	7,549	2.048
Unemployment trust fund.....	7,307	1.923	102	7,409	1.935
All other interest-bearing securities.....	242,504		10,650	233,153	

Source: *Daily Statement of the U. S. Treasury*.

during the year, as compared with almost 95 percent in 1944-45.

Financial operations under social security programs which were administered wholly or in part by the Social Security Board are related to total cash income and outgo of the Federal Government in table 5. As total Federal expenditures declined, expenditures for social security purposes rose somewhat; this process reversed the trend of the preceding war years and increased the ratio of social security expenditures to total Federal expenditures. For the year as a whole, social

security outgo of \$2 billion represented 3 percent of total Federal outgo; in 1944-45, social security expenditures of \$0.8 billion accounted for less than 1 percent of the total.

Federal Appropriations and Expenditures

Federal expenditures for Social Security Board programs alone amounted to \$845 million in 1945-46, 20 percent more than in 1944-45. This sum differs from the cash-outgo figures in that the latter include State withdrawals from the unemployment trust fund.

Federal grants to States under the Social Security Act for the three special types of public assistance were \$35 million larger than in the preceding fiscal year. With some exceptions the grants have increased continuously each year since the passage of the act. Grants of \$361 million in 1945-46 for old-age assistance were 8 percent higher than in 1944-45; for aid to dependent children they were 12 percent higher; and for aid to the blind, 4 percent higher. Federal grants for the administration of State unemployment insurance programs reached \$56 million, almost two-thirds more than in 1944-45. During the year, deficiency appropriations of \$10 million were necessary for public assistance grants, and of \$25 million for unemployment compensation administration. Grants for old-age assistance and benefit payments under old-age and survivors insurance together aggregated \$682 million, representing 81 percent of all Federal expenditures under the Social Security Board programs for the fiscal year 1945-46.

The Labor-Federal Security Appropriation Act of 1947 (Public, No. 549)

Table 5.—Cash income and outgo:¹ Total Federal and Social Security Board programs, fiscal years 1944-46 and by quarter, July 1945-June 1946

[In millions]

Classification	1944-45	1945-46				
		Total	July-September	October-December	January-March	April-June
Cash income.....	\$51,332	\$48,103	\$12,322	\$10,399	\$14,220	\$11,162
Social security.....	2,751	2,428	698	547	583	600
Federal insurance contributions.....	1,310	1,238	352	299	251	336
Federal unemployment taxes.....	185	180	17	14	134	15
Deposits in unemployment trust fund ²	1,256	1,010	329	234	198	249
Other.....	48,581	43,247	11,624	9,852	13,637	9,962
Cash outgo.....	96,296	65,920	22,501	16,123	13,699	13,597
Social security ³	773	1,976	287	536	625	527
Social Security Board.....	455	517	124	132	138	123
Administrative expenses.....	24	29	6	7	8	8
Grants to States.....	431	488	117	125	130	116
Public assistance ⁴	306	432	105	111	117	99
Unemployment compensation administration.....	34	56	12	14	13	17
State withdrawals from unemployment trust fund.....	70	1,129	92	327	400	310
Old-age and survivors insurance benefits.....	240	321	70	75	85	91
Administrative expenses, Department of the Treasury ⁵	7	9	2	2	2	3
Other.....	95,523	63,945	22,214	15,587	13,074	13,070

¹ Cash income and outgo represent flow of cash, exclusive of borrowed cash, into and out of Treasury. Data include expenditures from trust funds, exclude transactions between Government agencies (i.e., transfers to trust accounts from general funds, investment of funds in special issues, repayment of sums borrowed) and other transactions, such as issuance or redemption of public-debt obligations other than redemption of adjusted-service bonds.

² Deposits by States of contributions collected under State unemployment compensation laws.

³ Federal expenditures administered chiefly by

Social Security Board. Includes administrative expenses of Bureau of Census in connection with searching census records for old-age and survivors insurance; these expenses amounted to less than \$50,000 in each fiscal year.

⁴ Old-age assistance, aid to dependent children, aid to the blind.

⁵ In connection with old-age and survivors insurance.

Source: Total Federal cash income and outgo from *Bulletin of the Treasury Department*, other data from *Daily Statement of the U. S. Treasury*.

appropriates \$484 million for the 3 special types of public assistance grants, 12 percent more than expenditures in 1945-46; the appropriation for administering unemployment compensation in fiscal year 1946-47 is 12 percent less than expended in 1945-46.

Social Insurance Contributions

Contributions collected under selected Federal social insurance programs in the fiscal year 1945-46 were in most instances only slightly below the record wartime collections of the preceding fiscal year (table 10). This is an indication that to date the transition from war to peace has taken place with less severe dislocations in employment than were previously expected.

Receipts of \$1.2 billion under the largest single program, Federal old-age and survivors insurance, were only 5 percent less than in the preceding fiscal year; the 1947 budget had estimated a decline of 14 percent in contributions. The decline in employment and wages in manufacturing industries affected by curtailment of war outlays was partly offset by a shift of workers into the service and distributive industries, which also are covered under old-age and survivors insurance.

Federal unemployment tax collections of \$180 million were only 3 percent below the amount in the preceding fiscal year, in contrast to the budget estimate of a 5-percent decrease. Insurance contributions paid by railroad carriers and their employees fell off only 1 percent during the year partly because the decline in volume of contributions was offset by an increase in the tax rate. Government and employee contributions under the Alaska Railroad, Canal Zone, and civil-service retirement and disability funds totaled \$528 million in 1945-46, an increase of 8 percent over the preceding year's payments. Of this sum, the Federal Government as employer contributed \$246 million, the District of Columbia \$1 million, and employees \$281 million. Contributions paid for protection under these programs have increased steadily in the last 10 years.

State collections of unemployment contributions declined for the second consecutive year from the \$1.4 billion

peak reached in 1943-44. Collections of \$1 billion in 1945-46 were 19 percent below those of the preceding fiscal year.

Unemployment Trust Fund

Financial operations of the unemployment trust fund during the past fiscal year differed markedly from those in the preceding year. With no large excess of income over outgo as in 1944-45, the combination of reduced receipts and sharply increased expenditures resulted in a rise of only \$134 million in trust fund assets. This increase was actually less than the \$144 million earned in interest during the year (table 8). The States deposited \$1.0 billion in the fund and withdrew \$1.1 billion; the Railroad Retirement Board deposited \$116 million and disbursed \$17 million for railroad unemployment insurance benefits.

The States as a group withdrew considerably more from the fund for the payment of unemployment benefits in 1945-46 than in the preceding 4 fiscal years combined. State with-

drawals began increasing sharply soon after V-day. From \$15 million in July 1945, withdrawals climbed continuously to \$136 million in February 1946—the largest sum withdrawn in any month since the beginning of the program. In March, however, withdrawals started to fall off and by June were down to \$91 million. As a result of the heavy drain on State accounts during the year, the sum of the balances in all State accounts increased by only \$12 million to \$6.7 billion at the end of the fiscal year.

Thirteen States had smaller balances in their accounts on June 30 than at the beginning of the fiscal year; the reductions ranged from 2½ percent for Washington to 25 percent for Michigan. In all other States the balances increased during the year. The States which made the largest withdrawals during the year were, in order of size of withdrawals: New York, California, Michigan, Pennsylvania, New Jersey, and Illinois. The sums withdrawn by these six States accounted for about 60 percent of total withdrawals.

Table 7.—*Federal appropriations and expenditures under programs administered by the Social Security Board by specified period, 1944-46*

[In thousands]

Item	Fiscal year 1944-45		Fiscal year 1945-46	
	Appropriations ¹	Expenditures through June ²	Appropriations ¹	Expenditures through June ²
Total	\$709,659	\$701,972	\$824,006	\$845,363
Administrative expenses	25,611	31,553	24,964	38,409
Federal Security Agency, Social Security Board ³	25,446	24,096	24,819	29,341
Department of Commerce, Bureau of the Census	165	107	145	119
Department of the Treasury ⁴	(1)	7,350	(1)	8,949
Grants to States	444,214	430,584	498,042	486,444
Old-age assistance		333,604		361,216
Aid to dependent children	400,800	52,780	441,000	59,320
Aid to the blind		9,958		10,312
Unemployment compensation administration	* 34,414	34,242	57,042	55,586
Benefit payments, old-age and survivors insurance	* 239,834	239,834	* 320,510	320,510

¹ Excludes unexpended balance of appropriations for preceding fiscal year. Includes for 1945-46 additional appropriations provided in First Deficiency Appropriation Act, 1946, approved Dec. 28, 1945, and in Second Urgent Deficiency Appropriation Act, 1946, approved Mar. 28, 1946.

² Based on checks cashed and returned to Treasury. Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

³ Represents appropriations and expenditures for salaries and some miscellaneous items; excludes other miscellaneous expenditures of the Board made from Federal Security Agency appropriations. Includes amounts expended by the Board in administering old-age and survivors insurance, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

⁴ Represents amounts expended by Treasury in administering title II of the Social Security Act and the Federal Insurance Contributions Act, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

⁵ Not available because not separated from appropriations for other purposes.

⁶ Includes \$4,417,892 transferred from War Manpower Commission as reimbursement for expenditures for employment office facilities and services.

⁷ Represents actual payments from old-age and survivors insurance trust fund.

Source: Federal appropriation acts and 1945-46 budget (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

State withdrawals were higher than State deposits plus interest earnings in both the third and fourth quarters of 1945-46. Consequently, the sum of all State balances declined by \$142 million from January 1 to June 30. The fourth-quarter decline, however, amounted to only \$1 million. This reduction in the rate of decline in State balances reflected the drop in withdrawals from an average monthly rate of \$133 million in the third quarter to \$104 million in the fourth quarter.

Increases in State deposits, withdrawals, and balances in recent years have been as follows:

Fiscal year	Change from preceding year in— (Amounts in thousands)					
	Deposits		Withdrawals		Balances	
	Amount	Percent	Amount	Percent	Amount	Percent
1940-41	+\$32	+4	+\$53	+11	-\$460	-24
1941-42	+204	+23	-169	-32	+790	+38
1942-43	+122	+11	-194	-53	+1,119	+39
1943-44	+132	+11	-114	-66	+1,378	+34
1944-45	-93	-7	+10	+17	+1,299	+24
1945-46	-246	-20	+1,058	+1,501	+12	(1)

¹ Less than 1 percent.

Benefit payments from the railroad unemployment insurance account also have risen markedly. They amounted to \$17 million in the fiscal year 1945-46, or more than the total amount disbursed in the preceding 4 years—from July 1941 to June 1945. Monthly payments started to climb in September and have not yet shown any tendency to level off; payments of \$4 million in June of this year represent the highest monthly amount paid out. Despite the increase in benefits, there still was a sizable excess of receipts over expenditures for the entire year; the balance in this account rose \$122 million, or 19 percent. Total assets of the unemployment trust fund, which equal the sum of the balances in all State accounts and in the railroad unemployment insurance account, increased by \$134 million.

The net additional amount of investments acquired by the fund during the year was only \$102 million, as compared with \$1.4 billion in 1944-45. Although substantial blocks of securities were acquired in the first quarter of the year, it was necessary in subsequent quarters to redeem all

new acquisitions plus other securities in order to meet withdrawals. Redemptions for the whole year totaled \$7.2 billion and acquisitions \$7.3 billion; all these transactions were in 1½-percent special certificates of indebtedness. The major portion of the fund's investments throughout the year consisted of 1½-percent special certificates, maturing June 30, 1946. These were redeemed when they became due. The fund's portfolio was as follows at the close of the fiscal year:

As of June 30, 1946	
Total investments, unemployment trust fund	\$7,409,000,000
Public issues:	
Treasury bonds	710,000,000
2½-percent bonds of 1962-67	50,000,000
2½-percent bonds of 1963-68	40,000,000
2½-percent bonds of 1964-69	20,000,000
2½-percent bonds of 1965-70	150,000,000
2½-percent bonds of 1966-71	150,000,000
2½-percent bonds of 1967-72	300,000,000
Special issues:	
Certificates of indebtedness:	
1½-percent certificates of indebtedness maturing June 30, 1947	6,699,000,000

The average rate of interest on the fund's investments stood at 1.935 percent on June 30, as compared with 1.923 percent at the beginning of the fiscal year.

Table 8.—Status of the unemployment trust fund, by specified period, 1936-46

[In thousands]

Period	Total assets at end of period	Net total of U. S. Government securities acquired ¹	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ²	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ²
Cumulative, January 1936-June 1946	\$7,449,120	\$7,409,000	\$40,120	\$9,550,254	\$597,855	\$3,457,492	\$6,690,773	\$618,686	\$47,269	\$61,816	\$758,347
Fiscal year:											
1936-37	312,389	293,386	94	291,703	2,737	1,000	312,389				
1937-38	884,247	559,705	12,247	747,660	15,172	190,975	884,247				
1938-39	1,280,539	395,000	13,539	811,251	26,837	441,795	1,280,539				
1939-40	1,724,862	443,000	14,862	850,864	37,524	454,764	1,693,163	44,249	202	14,552	31,699
1940-41	2,283,658	563,000	10,658	892,023	45,893	537,343	2,063,736	61,347	3,059	17,784	189,921
1941-42	3,150,103	866,000	11,103	1,095,991	61,998	368,070	2,883,654	76,266	5,424	9,072	266,445
1942-43	4,372,460	1,228,000	5,460	1,217,686	75,563	174,334	4,002,570	92,441	6,861	1,834	369,890
1943-44	5,878,778	1,503,000	8,778	1,349,307	88,526	60,000	5,380,403	109,375	8,001	591	498,375
1944-45	7,315,258	1,437,173	8,084	1,256,003	113,140	70,492	6,679,108	118,794	10,502	785	636,150
1945-46	7,449,120	101,827	40,120	1,008,909	130,373	1,128,720	6,690,773	116,214	13,220	17,197	758,347
1945											
June	7,315,258	88,173	8,084	7,261	57,180	8,296	6,679,109	26,888	5,330	96	636,148
July	7,372,826	35,000	30,653	65,778		14,932	6,726,955	45		41	645,870
August	7,610,393	251,000	17,219	257,968		21,593	6,963,330	1,232		41	647,061
September	7,596,118	-20,000	22,944	5,750	3,494	55,040	6,920,534	28,261	327	100	675,582
October	7,531,594	-60,000	48,420	42,316	437	107,224	6,856,064	49	41	216	675,528
November	7,606,978	65,000	58,804	183,097	141	108,283	6,931,019	760	13	388	675,957
December	7,537,391	1,329,990	29,208	8,803	4,341	111,228	6,832,935	28,694	412	608	704,455
1946											
January	7,497,917	-50,000	39,733	32,898	57,042	134,146	6,788,831	67	5,644	1,081	709,086
February	7,518,918	-	60,735	157,391	15	135,621	6,810,616	782	1	1,567	708,302
March	7,425,962	-50,000	47,779	7,780	3,705	130,100	6,692,001	27,064	368	2,673	733,961
April	7,352,437	-80,000	54,233	39,431	383	110,207	6,621,608	49	40	3,268	730,829
May	7,439,485	85,000	56,302	198,765	109,380	6,710,993	751		3,119	728,492	
June	7,449,120	25,816	40,120	9,930	60,816	90,966	6,690,773	27,559	6,374	4,094	758,347

¹ Includes accrued interest; minus figures represent net total of securities redeemed.

² Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,715,000.

³ Includes transfers from railroad unemployment insurance administration fund amounting to \$47,649,000.

Source: Daily Statement of the U. S. Treasury.

Old-Age and Survivors Insurance Trust Fund

Unlike the unemployment trust fund, this fund's financial operations in the fiscal year 1945-46 did not differ markedly from those in the preceding year. Receipts of \$1.4 billion were only 3 percent below the record high of 1944-45 (table 9). Of the total, \$1.2 billion represented Federal insurance contributions appropriated to the fund and \$148 million, interest earned on the fund's investments in Government securities.

Expenditures from the fund of \$358 million were about one-third more than in 1944-45. Benefit payments increased by a larger percentage than in the 2 preceding fiscal years, reaching a total of \$321 million in 1945-46. Monthly benefit disbursements increased steadily throughout the year, from \$23 million in July 1945 to \$31 million in June 1946. Reimbursements to the Treasury Department for administrative expenses were \$37 million, as compared with \$27 million in the preceding fiscal year. There was a \$1 billion excess of receipts

over expenditures during the year, increasing assets of the fund by that amount to \$7.6 billion.

Receipts of the fund not needed for benefit payments were invested in Government securities; the fund had a net addition of \$1 billion of securities during the year, 12 percent less than in 1944-45. Considerable investment activity took place during June, when securities totaling \$3.3 billion matured. These consisted of \$319 million of 2½-percent special Treasury notes, \$603 million of 2¾-percent special Treasury notes, \$228 million of 2¼-percent special Treasury notes, and \$2.2 billion of 1½-percent special certificates of indebtedness. New investments acquired during the month consisted of \$235 million of 1½-percent certificates maturing June 30, 1946, which were subsequently redeemed, and \$3.4 billion of the same type of obligation maturing June 30, 1947. Investment transactions throughout the entire year consisted of the acquisition of \$4.5 billion in new securities and the redemption of \$3.5 billion of se-

curities held. New securities were acquired in the last month of each quarter. Relatively small redemptions were made in November, January, and April.

A pronounced change took place in the composition of the fund's holdings during the year. At the beginning of the fiscal year, 25 percent of its securities consisted of 1½-percent obligations, but by the end of the year this percentage had grown to 45 percent. The percentage of 2½-percent long-term Treasury bonds increased from 19 percent on July 1, 1945, to 22 percent on June 30, 1946. Special short-term Treasury notes bearing interest rates from 2 to 2½ percent made up 35 percent of the fund's portfolio at the beginning of the period but only 15 percent at the end. The percentage of short-term Treasury notes bearing 1½-percent interest declined from 21 to 18 percent. Because of the change in the composition of the investment holdings, the average interest rate declined from 2.127 percent to 2.048 percent during the year.

Table 9.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-46

[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments ³	Reimbursement for administrative expenses ⁴	Net total of U. S. Government securities acquired ⁵	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative January 1937-June 1946	\$8,259,515	\$676,278	\$1,103,996	\$190,370	\$7,548,734	\$49,167	\$43,527	\$7,641,428
Fiscal year:								
1936-37	265,000	2,262	27	-----	267,100	73	62	267,235
1937-38	387,000	15,412	5,404	-----	395,200	1,931	113,012	777,243
1938-39	503,000	26,951	13,892	-----	514,900	3,036	66	1,180,302
1939-40	550,000	42,489	15,805	12,288	560,900	6,098	500	1,744,698
1940-41	688,141	55,958	64,342	26,840	642,500	10,778	6,238	2,397,615
1941-42	895,619	71,007	110,281	26,766	821,034	20,384	5,176	3,227,194
1942-43	1,130,495	87,403	149,304	27,492	1,035,200	24,495	6,966	4,268,296
1943-44	1,292,122	103,177	184,597	32,607	1,172,036	21,384	16,136	5,446,391
1944-45	1,309,919	123,854	239,834	26,950	1,137,411	35,092	32,007	6,613,381
1945-46	1,238,218	147,766	320,510	37,427	1,002,453	49,167	43,527	7,641,428
1945								
June	4,591	104,995	22,354	2,370	392,447	35,092	32,007	6,613,381
July	61,501	-----	23,139	2,476	-----	35,938	67,048	6,649,267
August	285,803	-----	22,888	2,476	-----	38,021	325,404	6,909,706
September	4,731	9,242	23,497	2,476	273,000	39,074	39,351	6,897,706
October	54,434	-----	25,365	2,838	-----	38,682	65,974	6,923,938
November	237,766	99	24,082	2,838	-15,000	42,582	288,020	7,134,883
December	6,916	7,371	25,678	2,838	250,490	44,870	21,362	7,120,655
1946								
January	32,819	15,371	27,953	3,309	-10,347	44,884	48,275	7,137,583
February	199,548	-----	27,707	3,309	-----	46,153	215,538	7,306,114
March	18,367	9,242	28,589	3,309	180,000	46,509	30,893	7,301,825
April	60,752	26	29,545	3,853	-5,000	47,925	61,857	7,329,206
May	268,945	-----	30,855	3,853	-----	48,037	295,082	7,563,443
June	6,634	106,415	31,212	3,853	329,310	49,167	43,527	7,641,428

¹ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Based on checks cashed and returned to Treasury.

⁴ Figure for fiscal year 1944-45 includes bookkeeping adjustments for expendi-

tures for fiscal years 1941-42, 1942-43, and 1943-44; annual figures in table do not, therefore, reflect actual outlays.

⁵ Includes accrued interest; minus figures represent net total of securities redeemed.

Source: *Daily Statement of the U. S. Treasury*.

On June 30, 1946, the fund's investments consisted of the following securities:

*As of June 30,
1946*

Total investments, old-age and survivors insurance trust fund	\$7,548,734,250
---	-----------------

Public issues:
Treasury bonds 1,638,334,250
2½-percent bonds of 1962-67 49,000,000
2½-percent bonds of 1963-68 100,000,000
2½-percent bonds of 1964-69 50,000,000
2½-percent bonds of 1965-70 400,000,000
2½-percent bonds of 1966-71 295,000,000
2½-percent bonds of 1967-72 744,334,250

Special issues:
Treasury notes 2,509,400,000
2½-percent notes:
maturing June 30, 1947 450,400,000
2½-percent notes:
maturing June 30, 1947 240,000,000
2-percent notes:
maturing June 30, 1947 459,000,000
1½-percent notes:
maturing June 30, 1947 251,000,000
maturing June 30, 1948 1,109,000,000

Certificates of indebtedness:
1½-percent certificates of indebtedness maturing June 30, 1947 3,401,000,000

Increases in the fund's receipts, expenditures, and total assets in recent years have been as follows:

Fiscal year	Change from preceding year in— (Amounts in thousands)					
	Receipts		Expenditures		Assets	
	Amount	Percent	Amount	Percent	Amount	Percent
1940-41	+\$152	+26	+\$63	+225	+\$663	+35
1941-42	+\$223	+30	+46	+51	+\$830	+35
1942-43	+\$351	+26	+40	+29	+1,041	+32
1943-44	+177	+15	+40	+23	+1,178	+28
1944-45	+39	+3	+50	+23	+1,167	+21
1945-46	-48	-3	+92	+34	+1,028	+16

Variable Grants in the School Lunch Program

The National School Lunch Act, signed by the President on June 4, 1946 (Public Law No. 396, 79th Cong., 2d sess.), represents the first legislation to embody a well-defined variable-grant formula.¹ The act seeks to accomplish its purposes—to "safe-guard the health and well-being of

¹ The Social Security Act and Public Health Act provide that part of the grants to States for maternal and child welfare and for public health work, respectively, shall be distributed in accordance with "the financial need" of the States. No specific allotment formula is provided in either law, but in practice State per capita income figures have been used in comparing State financial need. The two laws require no State matching of Federal funds distributed on this basis.

Table 10.—Contributions and taxes under selected social insurance and related programs, by specified period, 1936-46

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions ¹	Federal civil-service contributions ²	Taxes on carriers and their employees	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment contributions
Cumulative through June 1946	\$8,400,733	\$2,529,624	\$1,731,162	\$9,507,834	\$1,276,612	\$687,420
Fiscal year:						
1936-37	194,346	35,604	345	(6)	\$ 57,751	
1937-38	514,406	111,847	150,132	(6)	\$ 90,104	
1938-39	530,358	115,290	109,257	803,007	100,869	
1939-40	604,694	131,822	120,967	853,955	107,523	49,167
1940-41	600,555	148,687	136,942	888,450	97,677	68,162
1941-42	895,619	100,498	170,012	1,093,901	119,944	84,738
1942-43	1,130,495	333,158	208,795	1,217,737	158,361	102,710
1943-44	1,292,122	445,951	267,065	1,353,272	179,909	121,518
1944-45	1,309,919	486,719	285,038	1,251,958	184,544	131,993
1945-46	1,238,218	528,049	282,610	1,009,090	179,930	129,126
1945						
June	4,591	21,803	60,041	5,085	1,575	30,013
July	61,501	271,976	1,478	173,103	2,998	50
August	285,803	25,236	8,299	150,319	12,068	1,369
September	4,731	27,267	59,397	5,870	1,768	31,401
October	54,434	23,859	1,468	122,910	2,551	54
November	237,766	24,881	8,479	106,116	10,281	845
December	6,916	21,664	58,525	7,672	770	31,882
1946						
January	32,819	23,692	5,061	96,509	13,292	76
February	169,545	21,662	3,461	95,148	106,998	856
March	18,367	21,198	64,561	3,606	13,576	31,083
April	60,752	21,690	1,349	106,107	3,014	54
May	208,945	22,049	5,293	135,903	11,174	834
June	6,634	22,372	65,240	5,828	1,440	30,622

¹ Represents contributions of employees and employers in employments covered by old-age and survivors insurance.

² Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in July for the entire fiscal year.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees in 4 States, deposited in State clearing accounts. Data reported by State agencies, corrected to Aug. 9, 1946.

⁴ Represents taxes paid by employers under the Federal Unemployment Tax Act.

⁵ Includes \$40,561,886, subsequently refunded to States which did not collect taxes on 1936 pay rolls and in which employees paid full tax to the Federal Government.

⁶ Not available by separate years but included in total.

⁷ Represents July contributions of \$24.4 million from employees, and contributions for fiscal year 1945-46 of \$24.6 million from the Federal Government and of \$1.2 million from the District of Columbia for certain District government employees.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food"—through the use of grants-in-aid to States as well as direct Federal purchase and distribution of agricultural commodities for establishing, maintaining, operating, and expanding nonprofit school lunch programs.

The grants to the States are "variable" in that the allotment of Federal financial aid varies directly with a State's need for the program and inversely with the ability of a State and its localities to finance the program. Furthermore, in the States which have per capita incomes below the national average, the required rate of non-Federal¹ matching of

¹ Sec. 7 of the act provides that Federal aid shall be matched "from sources within the State determined by the Sec-

Federal funds also varies directly with State ability.

The new legislation is also significant in that it gives permanent statutory authorization to a program that the Department of Agriculture has been administering for 11 years on the basis of the authority contained in the annual appropriations for the work of the Department. The new law will, in effect, aid in coordinating the school lunch program throughout the Nation and in encouraging greater financial participation and control by the States.

The act provides that, of the sums

retary to have been expended in connection with the school lunch program under this act," including "the reasonable value of donated services, supplies, facilities, and equipment." This language also permits inclusion of the money paid for lunches by the children themselves.

appropriated for the program for any fiscal year, \$10 million shall be available for nonfood assistance to the States—that is, for equipment used on school premises in storing, preparing, or serving the food. Seventy-five percent of the balance is available for allocation to the States for agricultural commodities. No more than 3 percent of either amount can be allocated to Alaska, Hawaii, Puerto Rico, and the Virgin Islands—as a combined group. The remainder, minus the sum allocated to the Secretary of Agriculture for administrative expenses (not more than 3½ percent of the total appropriation), may be used by the Secretary for direct purchase and distribution of agricultural commodities.

The Department of Agriculture Appropriation Act, 1947, provides \$75 million for expenditures under the National School Lunch Act. Thus, approximately \$65 million is available for food assistance to the States and for administration of this act. Grants to the States must total at least 75 percent of that amount, or \$48,750,000. This sum, together with the \$10 million for nonfood assistance, must be allocated among the States according to the formula provided in sections 4 and 7 of the School Lunch Act.

The apportionment formula, similar to the one used by the Department of Agriculture in 1945 and 1946,³ provides that the funds shall be apportioned among the States in the proportion that each State's index of need bears to the total of such indexes. The index of need for each State is determined by multiplying the State's population aged 5 to 17 by the ratio of per capita income in the United States to per capita income in that State. Thus, the smaller the per capita income of the State, the greater the weight applied to the school-age population.

The matching provision in section 7 of the act is designed to lessen the relative share of the Federal Government in the program over the years and effect an increase in the non-Federal proportion of expenditures. During the period from 1947 to 1950, every Federal dollar shall be matched

³ School enrollment, however, was used instead of population aged 5 to 17. The matching required in 1945 and 1946 was dollar for dollar.

Table 11.—Illustrative amounts of Federal aid and State matching funds under the National School Lunch Act, in five selected States¹

State	1944 per capita income	Federal aid per child	1947-50 ²		1951-55 ²		1956 and after ⁴	
			State funds required per child	Total per child	State funds required per child	Total per child	State funds required per child	Total per child
New York.....	\$1,519	\$1.28	\$1.28	\$2.56	\$1.92	\$3.20	\$3.84	\$5.12
Illinois.....	1,309	1.48	1.48	2.96	2.22	3.70	4.44	5.92
Montana ⁵	1,105	1.75	1.73	3.48	2.60	4.35	5.20	6.95
West Virginia.....	790	2.45	1.73	4.18	2.60	5.05	5.20	7.65
Mississippi.....	528	3.67	1.73	5.40	2.60	6.27	5.20	8.87

¹ Assuming that a State with per capita income nearest the national average receives Federal aid amounting to \$1.75 per child 5 to 17 years of age.

² With dollar-for-dollar matching in the above-average income States.

³ With 60-40 percent State-Federal matching in the

above-average income States.

⁴ With 75-25 percent State-Federal matching in the above-average income States.

⁵ Montana is nearest the national average per capita income of \$1,117 in 1944.

by \$1 from sources within the State; from 1951 through 1955, by \$1.50; and thereafter, by \$3. "In the case of any State whose per capita income is less than the per capita income of the United States," however, "the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States."

The accompanying table compares the annual amounts of Federal aid per child which might be received under the act in each of five selected States, and also shows the non-Federal expenditures required in each State to match in full the illustrative allotments, and the total expenditures per child which might result under the different matching provisions in each of the three periods specified. The five States represent different degrees of wealth, as measured in terms of per capita income. New York had the highest per capita income in 1944, Mississippi the lowest. Montana was closest to the national average, and Illinois and West Virginia approximate the midpoints between it and the two extremes.

To simplify the example, it is assumed that the State with a per capita income nearest the national average (Montana) will receive \$1.75 in Federal aid per child aged 5 to 17. The amounts shown are approximately the sums which may be received per child in 1947, under the formula, on the basis of the present appropriation.

For all States, the amount of Federal aid to a State per child increases as per capita income decreases. The non-Federal matching funds required of the States with incomes above the

average bear a fixed relationship to the amount of Federal aid, however, and thus the amount per child of such funds increases as per capita income declines to the level of the national average. The matching funds required of the below-average-income States are a constant amount per child, despite the fact that the per child amount of Federal aid increases as per capita income declines. The matching ratios between Federal and non-Federal funds for the years 1947-50 (when the States at or above the national average match dollar for dollar) turn out to be about the same as those derived under the formula in the Wagner-Murray-Dingell bill of 1943, the so-called "ratio-to-national-average" formula. The net result of the combined operation of the allotment formula and the variable matching percentages, however, is that the total funds per child from all sources will be progressively greater among successively lower-income States, if all States match in full their Federal allotments. It is quite possible that this progression may be impaired, because some States, particularly the wealthier ones, may more than match Federal funds in order to maintain more adequate programs and thus expand their programs beyond the bare minimum provided by the act. On the other hand, need for these services on a nonpaying basis is probably greater in the lower-income States where there are proportionately more needy children and where the health problem is greater.

Under the act, the Federal percentage of expenditures will vary during 1947-50 from 50 percent in the

States at or above the national average to about 68 percent in the poorest State; during 1951-55, the range will be from 40 to 59 percent; and during 1956 and thereafter, from 25 to 41 percent, assuming the same variation as at present in State per capita income payments relative to the national average.

As already mentioned, no more than 3 percent of the total sum to be allocated among the States as Federal grants may be used for Alaska, Hawaii, Puerto Rico, and the Virgin Islands. These four jurisdictions have a little less than 2.5 percent of the total number of children aged 5 to 17. According to preliminary per capita income estimates prepared recently by the Department of Commerce, however, Hawaii, Puerto Rico, and the Virgin Islands fall below the national average per capita income. In fact, Puerto Rico and the Virgin Islands fall so far below the national average that, were they to be treated in the same way as are the States under the formula provided in section 4 of the act, their child population would be multiplied by weights as heavy as 5.85 and 9.71, respectively, in contrast to 2.12 for Mississippi, the highest weight among the 48 States. Under the formula used for the States, the share of the four jurisdictions would have been nearer 10 than 3 percent of the total sum to be allocated.

Recent Health Legislation

During the last days before adjournment, Congress passed three bills relating to health: the Hospital Survey and Construction Act, the National Mental Health Act, and a health program for Federal Government employees.

The Hospital Survey and Construction Act (Public, No. 725) authorizes Federal grants to States not to exceed \$3 million for surveying and planning their hospital needs and \$75 million for each of 5 years beginning July 1, 1946, for the construction of public and other nonprofit hospitals and public health-center facilities. The Federal grants for surveying hospital needs will equal one-third the States' expenditures. The Surgeon General is authorized to allot Federal funds for construction to States with

approved plans on the basis of their relative financial ability; the poorer States are allotted relatively more financial aid than the wealthier ones. The Federal aid is to be 33 1/3 percent of the cost of each project. No provision is made in the act for maintenance of hospitals or payment for professional services except the requirement that the States applying for grants give reasonable assurance of future financial support.

The National Mental Health Act (Public, No. 487), approved July 3, authorizes \$7.5 million for erecting and equipping adequate hospital and related facilities in or near the District of Columbia to be known as the National Institute of Mental Health. The function of the Institute is to study and treat psychiatric disorders. The act also authorizes the appropriation each year of not more than \$30 million for grants-in-aid to public and private institutions and to individuals for research, for training

and instruction of qualified individuals, for demonstrations and training personnel for State and local health work, and to States to assist them in carrying out the purposes of the act.

Health programs for Government employees under new legislation approved August 8 (Public, No. 658) will be established only upon the recommendation of the Civil Service Commission, after consultation with the Public Health Service, in localities where there are sufficient Federal employees to warrant the provision of services. The health services to be provided will be limited to (1) treatment on the job of illnesses and dental conditions requiring emergency attention; (2) preemployment and other examinations; (3) referral of employees to private physicians and dentists; and (4) preventive programs relating to health. Professional standards for such services will be established on the recommendation of the Public Health Service.

Recent Publications in the Field of Social Security*

Social Security Administration

BUREAU OF EMPLOYMENT SECURITY. *Insured Unemployment During the Week Ended June 1, 1946*. Washington: The Bureau, 1946. Processed.

The first issue of a weekly report showing the total number of persons in the Nation filing claims for unemployment benefits or waiting-period credit under State unemployment insurance systems, the veterans' readjustment allowance program, and the railroad unemployment insurance program, and also the number of claims filed in each State under the first two programs. Free distribution; apply to the Bureau of Employment Security, Social Security Administration, Washington 25, D. C.

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

BUREAU OF RESEARCH AND STATISTICS. *Medical Care Insurance—Social Insurance Program for Personal Health Services. Report . . . to the Committee on Education and Labor, United States Senate*. Washington: U. S. Govt. Print. Off., 1946. 185 pp. (79th Cong. 2d sess., Senate Committee Print No. 5.)

"This report outlines the possible specifications of such a social insurance program; it indicates briefly what health insurance in operation would mean to insured persons and to doctors, dentists, hospitals, and others furnishing services; it considers questions concerned with the incomes which the insurance system could be expected to provide for those furnishing services, and with the coverage and the magnitude of the total expenditures that may be involved." Limited free distribution; apply to the Bureau of Research and Statistics, Social Security Administrator, Washington 25, D. C.

General

AMERICAN ECONOMIC ASSOCIATION. "Papers and Proceedings of the Fifty-Eighth Annual Meeting of the

American Economic Association, Cleveland, Ohio, January 24-27, 1946." *American Economic Review*, Menasha, Wis., Vol. 36, May 1946, 960 pp. \$1.25.

Among the topics discussed at the annual meeting were Postwar Tax Policy, by Harold M. Groves, Alfred G. Buehler, Beardsley Ruml, and Roy G. Blakey; and The Problem of "Full Employment," by Albert G. Hart, Alan R. Sweezy, Sumner H. Slichter, John H. G. Pierson, William J. Fellner, Clark Warburton, and Abba P. Lerner. CORSON, JOHN J. "The Future of Social Security." *Welfare* (Pennsylvania Welfare Conference), Harrisburg, Vol. 13, June 1946, pp. 10-16. \$1 a year.

Shows why "social security has become an essential and generally approved governmental service" and discusses its present limitations.

U. S. CONGRESS. HOUSE. COMMITTEE ON WAYS AND MEANS. *Amendments to Social Security Act. Hearings Before the Committee on Ways and Means, House of Representatives, Seventy-Ninth Congress, on Social Security Legislation . . .* Washington: U. S. Govt. Print. Off., 1946. 1510 pp.

Includes testimony by Government officials, Congressmen, representatives of industry, labor, agriculture, and of religious, educational, welfare, and other professional groups.

Old-Age and Survivors Insurance

U. S. CIVIL SERVICE COMMISSION. *Retirement Report, Fiscal Year Ended June 30, 1945.* Washington: U. S. Govt. Print. Off., 1946. 45 pp.

Data on the Federal civil-service, Canal Zone, and Alaska Railroad retirement and disability systems.

U. S. RAILROAD RETIREMENT BOARD. *Annual Report of the Railroad Retirement Board Fiscal Year Ended June 30, 1945.* Washington: U. S. Govt. Print. Off., 1946. 134 pp.

Reports on activities under the railroad retirement, unemployment insurance, and employment service programs.

Employment Security

BROWN, VIRGINIA HOLMES. *The Development of Labor Legislation in Tennessee.* Knoxville: University of Tennessee, 1945. 79 pp. (*Tennessee Record*, Vol. 48, Nov. 1945.)

Includes an outline of unemployment insurance and workmen's compensation laws.

GREAT BRITAIN. UNEMPLOYMENT INSURANCE STATUTORY COMMITTEE. *Reports on the Financial Condition of the Unemployment Fund on 31st December 1945.* London: H. M. Stationery Office, 1946. 9 pp. 2d. Includes a report on both the general and the agricultural unemployment fund accounts and a discussion of postwar employment.

MEYERS, ALBERT L. "Some Implications of Full-Employment Policy." *Journal of Political Economy*, Chicago, Vol. 54, June 1946, pp. 258-265. \$1.

Discusses the factors influencing investment and saving.

U. S. BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM. *Prices, Wages, and Employment.* Washington: The Board, 1946. 94 pp. 15 cents.

Consists of three studies: Prospects of Inflation in the Transition Period, Employment and Wage Policies, and Monopoly and Unemployment.

Public Welfare and Relief

BOURDILLON, A. F. C., Editor. *Voluntary Social Services; Their Place in Modern Society.* London: Methuen & Co., Ltd., 1945. 322 pp. 16s.

A series of essays written under the auspices of the Social Services Subcommittee of the Nuffield College Reconstruction Survey to determine the adjustment of functions and relations between statutory and voluntary agencies in the various fields.

CLAGUE, EWAN. "The Future of Social Work in the American Economy." *Compass*, New York, Vol. 27, June 1946, pp. 19-22. \$1 a year.

Considers the economic and social conditions which are likely to affect future social work programs.

"The End of the Poor Law?" *Economist*, London, Vol. 150, June 15, 1946, pp. 956-958. 1s.

Discusses the kind of assistance needed after enactment of the national insurance bill and the form of its administration.

ROBINSON, MARION, and BUELL, BRADLEY. "Milestones in Professional Progress." *Survey Midmonthly*, New York, Vol. 82, June 1946, pp. 163-181. 30 cents.

This issue is devoted largely to reporting on and interpreting the 73d annual meeting of the National Conference of Social Work. The first section is a general report on the conference, while highlights from addresses and group discussions are given under the headings of Professional Tools and Problems of the People.

SOUTH AFRICA. DEPARTMENT OF SOCIAL WELFARE. *Memorandum on the Policy and Activities of the Department of Social Welfare for the Period 1st January, 1944 to 31st December, 1944.* Pretoria: Government Printer, 1945. 15 pp. 2s.

TOWLE, CHARLOTTE. "Public Welfare and Democracy." *Public Welfare*, Chicago, Vol. 4, June 1946, pp. 122-126. 50 cents.

Discusses the effect of economic dependency and want on the individual and stresses the importance of social services and public welfare measures in a democratic society.

U. S. CHILDREN'S BUREAU. *Thirty-Third Report of the Chief of the Children's Bureau, Fiscal Year Ended June 30, 1945.* Washington: The Bureau, 1945 (?) 34 pp. Proc- essed.

Includes material on maternal and child health and welfare services and services for crippled children under title V of the Social Security Act.

Health and Medical Care

"Minutes of the Ninety-Fifth Annual Session of the American Medical Association, Held in San Francisco, July 1-5, 1946." *Journal of the American Medical Association*, Chicago, Vol. 131, July 13, 1946, pp. 905-920; July 20, 1946, pp. 984-1006. 25 cents each.

Includes a statement of Standards of Acceptance for Medical Care Plans (Preliminary) approved by the Council on Medical Service and Public Relations, the report of the Committee on Rural Medical Service, a report on a survey of public relations of the AMA which resulted in changes in the organization and procedures of the Association, and several resolutions concerning a national medical care program.

"National Conference on Rural Health." *Journal of the American Medical Association*, Chicago, Vol. 131, June 8, 1946, pp. 553-561. 25 cents.

Speeches and discussion at first annual meeting of the AMA Committee on Rural Medical Care, March 30, 1946.

STERN, BERNHARD J. *Medical Services by Government—Local, State, and Federal.* New York: The Commonwealth Fund, 1946. 208 pp. \$1.50.

A study of the pattern, scope, trends, and nature of medical services and hospital care given to the indigent and to some nonindigent groups by all government agencies.



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Periodicals

Social Security Bulletin. Monthly. Subscription price, \$1.50 in United States, Canada, and Mexico; \$2.25 in all other countries. Single copies, 15 cents.

Annual Report of the Federal Security Agency; Section V, Social Security Board, 1945. 25 cents.

Social Security Yearbook, 1944. (Sixth annual supplement to *Social Security Bulletin*.) 50 cents.

Unemployment Compensation Interpretation Service—The Benefit Series. Bureau of Employment Security. Monthly. Subscription price, \$3.50 a year; single copies, 30 cents.

Employment Security Activities. Bureau of Employment Security. Monthly. Processed.

Insured Unemployment. (A new publication giving statistics on the volume of insured unemployment.) Bureau of Employment Security. Weekly. Processed.

Comparative Statistics of General Assistance Operations of Public Agencies in Selected Large Cities. Bureau of Public Assistance. Monthly. Processed.

Reasons for Opening Cases for Assistance. Bureau of Public Assistance. Monthly. Processed.

Reports

Suitable Work—Recommended Policies on Refusal of Work During Reconversion. Bureau of Employment Security.

Special Postwar Problems of Women Claimants. Bureau of Employment Security.

Women Claimants—Problems in Determining Availability and Suitable Work. Bureau of Employment Security.

Unemployment Insurance and the Retraining of Unemployed Workers. Bureau of Employment Security.

Families Receiving Aid to Dependent Children, October 1942. Part I. Race, Size, and Composition of Families and Reasons for Dependency. Bureau of Public Assistance.

The Social Service Exchange. Bureau of Public Assistance.

Money Payments to Recipients of Old-Age Assistance, Aid to Dependent Children, and Aid to the Blind. Bureau of Public Assistance.

Public Assistance for Restricted Persons During the Second World War. Bureau of Public Assistance.

The Functions of Medical Social Work in Departments of Health and Welfare. Bureau of Public Assistance.

Public Assistance Developments Set New Goals for Staff Training. Bureau of Public Assistance.

Selected Bibliography on Medical Economics. Bureau of Research and Statistics.

Scope of Protection Under State and Local Government Retirement Systems. Bureau of Research and Statistics.

Pamphlets explaining the social security programs and the rights of individuals under these programs are available in limited quantities from the Administration's regional and field offices or from Informational Service, Social Security Building, Washington 25, D. C.
